

Herald INTERNATIONAL Tribune

The Global Newspaper Edited and Published in Paris Printed simultaneously in Paris, London, Zurich, Hong Kong, Singapore, The Hague, Marseille, New York, Rome, Tokyo, Frankfurt.

No. 34,170 1/93

Published With The New York Times and The Washington Post

PARIS, FRIDAY, JANUARY 8, 1993

Algeria	1,000	France	1,000
Andorra	1,000	Germany	1,000
Austria	1,000	Greece	1,000
Bahrain	1,000	Hong Kong	1,000
Bangladesh	1,000	India	1,000
Belgium	1,000	Indonesia	1,000
Bolivia	1,000	Italy	1,000
Brazil	1,000	Japan	1,000
Bulgaria	1,000	South Korea	1,000
Canada	1,000	Taiwan	1,000
Cape Verde	1,000	Thailand	1,000
Cuba	1,000	Turkey	1,000
Czech Republic	1,000	U.S.	1,000
Denmark	1,000	U.K.	1,000
Egypt	1,000	USSR	1,000
Finland	1,000	West Germany	1,000
France	1,000	Yemen	1,000
Germany	1,000	Yugoslavia	1,000
Greece	1,000		

ESTABLISHED 1887



A DOLEFUL EXCHANGE IN SARAJEVO — A Muslim resident of Sarajevo weeping Thursday after she identified the body of a relative, one of 55 war victims whose remains were exchanged between Serbs and Muslims. In Belgrade, international mediators sought to involve the Serbian president in the peace talks on Bosnia. Page 2.

Iraq Moves Missiles, But to Destinations Unclear to Pentagon

Action Comes Hours After Baghdad Reacts Defiantly to Allied Ultimatum

Compiled by Our Staff From Dispatches

WASHINGTON — Iraq has started moving anti-aircraft missiles in the southern no-flight zone, only hours after seeming to reject an ultimatum from the United States and its allies, Pentagon officials said Thursday.

"There's been movement," a Pentagon official said, speaking on condition of anonymity. "But we're not sure what that means yet."

"To describe it as positive would be premature," he added. "Let's hope it's for the right reasons."

The official said it was not immediately clear whether Iraq had moved the missiles back to their previous positions, which had been demanded by Washington and its allies. If the missiles had been returned, it would be in line with Mr. Saddam's previous "cheat and retreat" pattern of dealing with postwar demands of the United Nations, he said.

The surface-to-air weaponry had been put near the 32d parallel in an apparent attempt to threaten the allied aircraft policing the southern zone set up to protect the Shiite minority in Iraq from air attacks.

Another defense source, also speaking privately, advised that it was possible that the movement indicated that the missiles were being taken to more fortified locations, or that Mr. Saddam had attempted to hide them.

"It's clear there's been movement. They aren't where they were before," this source said, adding that with nightfall in Iraq, rapid confirmation would be difficult.

"Even if he does move them 100 feet over the



In New York, Iraq's UN envoy said on Thursday that Baghdad reserved the right to act as it saw fit anywhere in its territory but did not flatly reject an ultimatum demanding removal of anti-aircraft missiles from the no-flight zone.

Ambassador Nizar Hamdoun was speaking to reporters after handing a four-page reply to the UN representatives of the United States, Britain, France and Russia who had given him the 48-hour ultimatum almost exactly 24 hours earlier.

"The Iraqi response was focused on the Iraqi right of sovereignty in moving its civilian and military material within the space and within the territory of the country," he said. "Iraq has decided not to give up that right," he added.

But repeatedly pressed on whether it would remove the missiles, he said: "I have not addressed the question of the missiles per se."

In Baghdad, President Saddam Hussein chaired a meeting of his country's leadership. The Iraqi press agency said Mr. Saddam saw members of the ruling Revolutionary Command Council and the leadership of the Ba'ath party, but gave no details on the meeting.

Earlier Thursday, Iraq's deputy prime minister, Tariq Aziz, appeared to reject the allied ultimatum.

He said that "it is the right of Iraq to deploy air defenses throughout the country," according to the official press agency, INA. The agency said Mr. Aziz contended that any aggressive action against Iraq would be a violation of international law.

He also asserted that "Iraqi pilots are not prohibited from flying in the skies of their country for training and patrol purposes," the agency said. But Mr. Aziz did not specifically say the Iraqis would or would not defy the ultimatum.

At the Pentagon a spokesman, Bob Hall, declined to say whether Iraq had moved the missiles away from the no-flight zone.

"We hope that the Iraqis will respond to the demarche that was given to them at the UN last night," Mr. Hall said at a news briefing.

32d parallel, will that be enough? Or 10 miles? It's too soon to tell," the second official said.

Mr. Aziz, who was Mr. Saddam's international point man during the crisis that followed Iraq's invasion of Kuwait, asserted that "Iraq's military activities do not exceed the task of defense."

He denied that Iraq was using the approaching inauguration of Bill Clinton as an opportunity to test allied resolve.

"Iraq's keenness on its sovereignty, independence and legitimate rights has no connection with the changing of the person of the U.S. president," Mr. Aziz said.

In Washington, Les Aspin, Mr. Clinton's defense secretary-designate, said Thursday that Mr. Clinton would not weaken his pledge to maintain a tough U.S. policy on Iraq.

But Mr. Aspin, speaking at his confirmation hearing before the Senate Armed Services Committee in Washington, said he could not say what specific steps Mr. Clinton might take against Iraq after he takes office on Jan. 20.

"There would be no way that Bill Clinton is going to back off of his commitments that he's

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With Europe Watching, Bundesbank Eases a Bit

By Brandon Mitchener International Herald Tribune

FRANKFURT — The Bundesbank left its main interest rates unchanged on Thursday but trimmed an influential money market rate in a move that many observers interpreted as a token of goodwill toward Europe's weak economies and currencies.

The Netherlands, Belgium, Switzerland and Austria, which together with Germany make up Europe's stable-coinage core, cut rates in step with the Bundesbank, sending the dollar and many weak European currencies higher and the Deutsche mark lower in active trading.

Observers said the Bundesbank's move was a

sign markets could expect overall German interest rates to come down sooner rather than later, but some skeptics suggested the pace of the decline might be too slow to breathe much life into Europe's sluggish economy or keep speculative pressure off the French franc and other currencies.

"It's clear that German interest rates are coming down, but they are coming down slowly," said David Thwaites, senior economist at Crédit Lyonnais Securities in London. "The

Bundesbank is clearly more worried about domestic inflation than about problems with European currencies."

In Thursday's move, the German central bank, which effectively dictates monetary policy across Europe, left its key rates unchanged. The discount rate, which is charged on a limited amount of collateralized loans to banks and is the effective floor rate in the money markets, was left at 8.25 percent. The ceiling rate for the markets, the Lombard rate, was maintained at 9.50 percent; it is charged on secured loans that provide urgently needed funding for banks.

The Bundesbank, however, trimmed the rate on securities repurchase agreements, another

form of collateralized loan and the central bank's main tool for influencing money-market rates, to 8.60 percent from 8.75 percent.

The Bundesbank refused to comment on its action other than to take issue with suggestions that its rate cut was mainly cosmetic. "The Bundesbank doesn't pursue a policy of small gestures," a spokesman said.

The central bank of the Netherlands, which cut rates on several key money market instruments by a quarter of a point, said bluntly it had acted in an attempt to reduce tensions in the European exchange-rate mechanism.

The guilders poked through its allowable ceiling.

Marines Launch Firestorm at Somali Warlord Arsenal

By Keith B. Richburg Washington Post Service

MOGADISHU, Somalia — American attack helicopters, tanks and armored vehicles staged a dramatic dawn raid on the encamped weapons arsenal of one of Somalia's most powerful warlords, as the commander of the U.S. forces here confirmed the opening of a new phase of the operation that now focuses on "going after the technicals and the bandits."

General Robert Johnston, commander of the U.S. intervention forces here, told U.S. television interviewers that 30 days into the operation, U.S. troops had succeeded in opening

supply routes from Mogadishu's port and establishing humanitarian relief sites in Somalia's famine-stricken interior.

"Now we're in Phase 3. Now we are systematically going after the technicals and the bandits," he said, adding "Now the focus is on eliminating the technicals."

A "technical" is the name Somalis have given to crudely converted pick-up trucks and Land Cruisers mounted with machine guns, recoilless rifles and anti-aircraft guns.

[Somalia's major warlords reached a tentative agreement on Thursday to hold a peace conference in April, Reuters reported from Addis Ababa, Ethiopia.

[Diplomats close to the exploratory talks in the Ethiopian

capital said the warlords and political leaders were expected to sign a commitment on Friday to hold a national reconciliation conference in Addis Ababa in April.

"They have agreed," one diplomat said.]

A shift in tactics for U.S. troops had been apparent over the last several days, with U.S. military officials reporting an increasing number of engagements between Marine units patrolling the city and the young Somali hoodlums and militiamen. But until General Johnston's comments on Thursday, U.S. officials had insisted that nothing in their mission had

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Israel, in Shift, To Let Red Cross Visit Deportees

By David Hoffman Washington Post Service

JERUSALEM — Under growing international pressure, Israel announced Thursday that it would permit a two-person team from the International Committee of the Red Cross to visit the camp in southern Lebanon of 415 suspected Islamic activists deported last month.

The decision was a turnaround for Prime Minister Yitzhak Rabin, who two weeks ago led his cabinet in voting to bar any use of Israeli-controlled territory for the Red Cross to gain access to the deportees.

Mr. Rabin had insisted that Lebanon, too, help the exiles and that Israel was no longer responsible for them. Lebanon, saying the deportees must be returned to Israel, has refused to allow humanitarian relief to reach them.

Mr. Rabin's reversal came on the eve of the second visit in recent weeks of a United Nations envoy and after a warning by the UN secretary-general, Boutros Boutros Ghali, that the Security Council would apply stiffer measures against Israel if the issue was not resolved.

Although Mr. Rabin had firmly declared that there would be "no sanctions" against Israel, others in his government expressed growing concern in recent days that Israel could be faced with a new round of punitive measures, and that it was only aggravating the damage it had already suffered in international standing.

Israeli officials also said they had calculated that President George Bush would not try to block a Security Council resolution if it came up in the waning days of his presidency.

"We are treating the Security Council and the Red Cross in a serious manner and I hope arrangements will be found which will lower this issue from the agenda," said Foreign Minister Shimon Peres, who has advocated allowing humanitarian aid to the deportees.

The Defense Ministry issued a statement stipulating that two Red Cross representatives would be permitted to fly on a helicopter provided by the United Nations Interim Forces in Lebanon from a base in Israel's self-declared security zone in southern Lebanon.

They will "review the situation in the camp" and return the same day, it said. Israel is granting permission for the visit on a one-time only basis, the Defense Ministry said. It said that the Red Cross had information that the deportees "do not require emergency assistance."

Red Cross officials said one of the two officials would be a doctor. The other official is to interview deportees and look into the cases of 10 who were apparently deported by mistake.

Kiosk Premature Blast Kills Bern Activist

BERN (AP) — A bomb blast blew apart a kiosk Thursday in central Bern, killing the man inside, in an incident linked to separatism in Switzerland's most rebellious canton.

Investigators identified the man as Christophe Bader, 21, who was involved with separatists seeking to reunite areas of the

mainly German-speaking canton of Bern with the French-speaking canton of Jura into what they see as the historic Jura region.

The authorities said the bomb probably went off prematurely. Store windows were shattered in the blast but no victims other than the driver were reported.

Down Jones	36.20	Trib Index	0.63%
New York	3,288.96		89.51
The Dollar	1.638		1.635
DM	1.531		1.5423
Pound	125.215		125.155
Yen	5.567		5.5665

General News
Will the Daily News's new ownership unleash daily wars? Page 5.
Tokyo's Asian neighbors prepare their questions for Kichii Miyazawa. Page 2.

Business/Finance
British builders are in the spotlight following Lilley's failure. Page 13.

Crossword Weather Page 18.



A SPREADING DISASTER — A volunteer carrying a shag killed by an oil spill in the Shetland Islands. By Thursday afternoon, 235 dead birds had been found. Oil was spreading on shore as bad weather blocked efforts to salvage a wrecked tanker. Page 2.

Glum Budget Forecast Won't Sway Clinton on Deficit, Aide Says

LITTLE ROCK, Arkansas — A spokesman for President-elect Bill Clinton said Thursday that there would be "some sort of adjustments" in projections but that Mr. Clinton was "not backing away from any pledges" to reduce the federal budget deficit.

The spokesman, George Stephanopoulos, was asked about the effect of Bush administra-

tion budget forecasts Wednesday that the deficit would be tens of billions of dollars higher than projected.

"There's no question that when you learn that the deficit is several tens of billions of dollars higher than you knew at the time, that there are going to have to be some sorts of adjustments, at the minimum in the projections," he said.

Pressed on whether Mr. Clinton was backing away from his deficit-reduction pledge, Mr. Stephanopoulos said: "We are not backing away from any pledges. All I'm pointing out is that the deficit is much larger than anybody thought 48 hours ago."

Mr. Stephanopoulos's comments came as Mr. Clinton met in the Arkansas capital with members of his economic team to discuss strat-

egies for revitalizing the economy in the face of the increasingly troublesome deficit figures.

The president-elect rejected the assertions of the White House budget director, Richard G. Darman, that the numbers in the new administration's economic plan did not add up, saying, "I think Mr. Darman is an expert on math not

Year Was 1908. Blast Was Nuclear-Like. Here's Why

By William J. Broad New York Times Service

NEW YORK — A scientific team said it has solved the mystery of what exploded 84 years ago over Siberia with a force of 1,000 Hiroshima-sized nuclear weapons, flattening hundreds of square kilometers of forest. It was a stony asteroid 30 meters or so in diameter.

For decades experts have debated the cause of the explosion over Tunguska on June 30, 1908. Evidence has always been sparse.

The object exploded about 8 kilometers in the air, and no part of it has been found. The shock wave and intense burst of radiant energy flattened trees over an area more than half the size of New York City and set fires for kilometers around, and the pressure wave was recorded around the globe.

Candidates for the explosion have included an alien space ship and a tiny black hole, a hypothetical star so dense that light cannot escape its gravitational grip.

The cause most often proposed has been a comet plunging into the atmosphere at supersonic speeds. The icy core of a comet was considered so fragile that it would explode high in the atmosphere, leaving no fragments solid enough to dig a crater.

In 1978 L. Kresak, a Czechoslovak comet specialist, also noted that the Tunguska explosion coincided with the annual meteor shower that occurs as the Earth passes through the debris left by the Comet Encke.

The denser celestial objects known as asteroids were also proposed but often dismissed, because one big enough to produce the blast was envisioned as partly surviving and hitting the ground.

Now scientists from the National Aeronautics and Space Administration and the University of Wisconsin, writing in Thursday's issue of the journal Nature, have given the asteroid thesis new weight and rigor.

In a mathematical simulation of the Tunguska explosion,

the researchers show that cometary nuclei and carbonaceous asteroids explode far too high to account for the blast, and that iron-rich asteroids tend to explode low and leave craters. The only logical source, they say, is a stony asteroid, the most common type.

"This event represents a typical fate for stony asteroids," wrote Christopher F. Chyba of the Goddard Space Flight Center in Greenbelt, Maryland, Paul J. Thomas of the University of Wisconsin at Eau Claire and Kevin J. Zahnle of Ames Research Center in California.

In the analysis, the team calculated the effects of aerodynamics on the mass that exploded, showing that these forces could easily smash it into fragments that experienced a sharp rise in atmospheric drag and heating.

Thus, the scientists concluded, a 30-meter stony asteroid must have exploded at a height of about eight kilometers in a "catastrophic fragmentation."

A smaller stony asteroid would have exploded much higher, the team said, and a larger one would have hit the Earth.

See DEFICIT, Page 3

U.S. Retaliation Would Probably Be Devastating

By Joseph Fichtett International Herald Tribune

PARIS — Even as there were reports that Iraqi anti-aircraft missiles were moving and perhaps retreating, experts said Thursday that Saddam Hussein must realize that he would suffer another devastating blow if he blundered into a shoot-out with the U.S. Air Force.

A shared assessment among specialists in the West and the Middle East was that the Iraqi leader was blustering and would back down, as he has done in other episodes of muscle-flexing with Washington since the Gulf War.

In military terms, Iraqi surface-to-air missiles in the air-exclusion zone pose only a minimal threat to U.S. airplanes, which are equipped to operate with impunity even if attacked by the best surface-to-air missiles in Iraq's arsenal.

Beyond that, U.S. reactions to an attack could be expected to be devastating, with retaliation targeting not Iraqi missile launchers and air-defense systems but also air bases and other military installations.

Iraqi defiance of the no-flight limitations, the specialists said, might be seized by the West as an occasion to deal a blow to the Iraqi military, as if to punish the armed forces for their continued support of Mr. Saddam.

A U.S. official, who declined to be identified, told reporters that "the pattern this administration has followed is to take out what he holds dear," apparently meaning that the remains of the Iraqi Air Force could be at risk if Mr. Saddam miscalculated in the cat-and-mouse game he has been playing at edge of the no-flight zone.

In Washington, experts said that President George Bush was eager for a last crack at Mr. Saddam and that — contrary to any hopes in Baghdad that a Democratic administration would be less hawkish — President-elect Bill Clinton was eager to demonstrate his hostility to the Iraqi regime.

While waiting for Mr. Saddam to blink, U.S. officials conspicuously left open the option of escalating reprisals to the point of knocking out sensitive targets anywhere in Iraq. This could be done without risk by using the Tomahawk cruise missiles carried by warships in the flotilla accompanying the U.S. aircraft carrier now in the Gulf.

In an air war more closely restricted to the edge of the no-flight zone, U.S. forces would enjoy overwhelming superiority against Iraq's remaining planes and pilots as well as its surviving air defenses.

Out of Iraq's pre-Gulf War air force of nearly 700 planes, probably fewer than 300 — perhaps

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Listing Its Concerns, Southeast Asia Girds For Miyazawa Visit

By Michael Richardson
International Herald Tribune

KUALA LUMPUR — Southeast Asian nations, preparing for a visit next week from Prime Minister Kiichi Miyazawa of Japan, are worried that Tokyo is seeking to raise its military profile in Asia while failing to meet the economic expectations of regional countries.

Asian officials and analysts warn that the combination of a stronger Japanese security role and a less beneficial economic policy toward Southeast Asia will inject new tension into relations between Japan and its neighbors. This would complicate efforts to shape a cooperative regional order to replace the Cold War divisions.

Asian concerns about Tokyo's strategic intentions are being lashed by several factors.

A slowdown in Japan's economy is curbing imports from Asia as the appetite of Japanese companies and consumers for foreign goods diminishes.

There are signs that the administration of Bill Clinton, who takes office later this month, will hasten withdrawal of U.S. forces from Asia to reduce a ballooning budget deficit and help meet domestic spending commitments.

Such a move would most likely encourage regional powers, such as Japan and China, to become more assertive.

And ahead of Mr. Miyazawa's eight-day tour of Malaysia, Indonesia, Thailand and Brunei, which begins Monday, his foreign minister, Michio Watanabe, has called for amendment of the Japanese constitution to allow the armed forces to be converted into international peacekeepers ready to help patrol trouble spots in Asia and elsewhere.

The constitution, imposed by the United States after World War II, bans use of force to settle international disputes.

"From now on, the role of the Self Defense Force should be to maintain global peace and order under the leadership of the United Nations," Mr. Watanabe said at a news conference in Tokyo on Tuesday.

He also said that Japan needed more long-range transport aircraft and ships to extend its ability to move equipment and personnel overseas.

Japanese officials said Mr. Watanabe was stating his personal opinion, which was not based on government policy.

Lee Poh Ping, a political scientist at the University of Malaya in Kuala Lumpur, said that if the Japanese government acted on Mr. Watanabe's proposal, other Asian nations would be "very uneasy."

Mr. Lee said that if Article 9 of the Japanese Constitution, which prevents use of military force abroad, was amended, Japan could "unilaterally send its armed forces overseas without either being in-

voled with the United Nations or in partnership with the United States and other countries."

In June, after 20 months of heated debate, Japan's parliament passed a peacekeeping operation law allowing overseas deployment of Japanese soldiers on the strict conditions that they not take part in combat and that they serve under UN command.

Japanese troops made their debut as peacekeepers in Cambodia in September when Tokyo contributed 600 army engineers to the UN force in the country.

Under a cost-cutting program started by President George Bush, America's 135,000 troops in Asia — most of them in Japan and South Korea — are to be gradually reduced by 25,000 over the next few years. Asian officials are concerned that the Clinton administration may sharply accelerate this withdrawal.

On a visit to Tokyo last month, Lee Kuan Yew, Singapore's senior minister, cautioned that such a move would be profoundly destabilizing and would undermine the rapid economic growth that has made the region a major trading partner of the United States.

He said Washington should recall its troops from the region as gradually as possible, to allow a new power balance to emerge and prevent "unstable forces" from filling any vacuum.

Mr. Lee added that Asia "becomes unstable because of a precipitate withdrawal, growth rates will be affected, America's exports will be affected and America's recovery will be slow."

While Japan has become the dominant player in East Asia largely through its exports of goods, capital and aid, the United States has remained the largest market for most countries in the region.

As industrialization has spread throughout East Asia, spurred by extensive Japanese investment in manufacturing plants, regional nations have looked increasingly to Japan as a market but have found entry blocked by protectionist restrictions.

Malaysia, for example, imports nearly twice as much from Japan as it exports.

"The question arises as to how beneficial our trade relations with Japan are," said Ramon Navaratan, chief executive of Bank Baruh (Malaysia). "It has very serious implications for overall relations."

Economic ministers of the Association of South East Asian Nations, at a meeting in Manila in October with Kozo Watanabe, the Japanese minister for international trade and industry, urged Tokyo to open its market more widely to ASEAN exports, especially processed and manufactured goods.

In addition to the four countries that Mr. Miyazawa will visit, the members of ASEAN are Singapore and the Philippines.



Members of the rightist Christian National Union voting on the anti-abortion bill in Warsaw.

Legislators Act to Curb Abortions In Poland

The Associated Press

WARSAW — Parliament's lower house approved legislation on Thursday to restrict abortions, but it watered down a bill backed by the Roman Catholic Church that would have outlawed all abortions.

Deputies voted, 213-to-171, with 29 abstentions, for a bill to replace the liberal Communist-era abortion rules. Conservative lawmakers had wanted to make Poland's rules the most restrictive in Europe.

Before the final vote, deputies approved an amendment that would allow abortions when a pregnancy seriously threatens a woman's life or health, when prenatal tests show a fetus to be seriously deformed or when a pregnancy results from a crime.

Proposals to allow abortions for other reasons, such as a woman's difficult financial situation, were rejected.

Deputies approved a motion to jail for up to two years doctors who carry out abortions in circumstances not permitted under the draft law. But women would not be jailed for terminating their own pregnancies.

The bill now goes to the Senate. It must be approved by the Senate and President Lech Walesa to become law.

Although backed by the Catholic Church, in a nation whose people are overwhelmingly Catholic, opinion polls have indicated that a majority of Poles oppose banning abortion.

Experts said the original legislation would have banned prenatal testing and in-vitro fertilization as well as some contraceptives, such as intrauterine devices.

WORLD BRIEFS

Bonn Defends Border Control Plan
 BONN (Reuters) — Interior Minister Rudolf Seiters on Thursday defended a plan to increase controls along Germany's eastern borders, using former East German military equipment.
 Mr. Seiters has been criticized by the opposition Social Democrats and human rights groups for planning to use radar and infrared devices to monitor Germany's eastern frontiers as part of a crackdown on illegal immigrants.

Emergency Declared in Tajik Capital
 MOSCOW (AP) — A state of emergency was declared Thursday in Dushanbe, the embattled capital of the Central Asian republic of Tajikistan.
 A decree by the President of the Tajik Supreme Soviet banned virtually all public gatherings, imposed a 9 P.M.-to-6 A.M. curfew and authorized the security forces to stop and search individuals and vehicles, the Russian press agency Itar-Tass reported.

Savimbi Seeks U.S. Intervention
 LUANDA, Angola (AP) — Government troops besieged a rebel headquarters in central Angola on Thursday, and Jonas Savimbi, leader of the rebels, called for the United States to broker an immediate ceasefire.
 Jeffrey Davidow, a U.S. assistant secretary of state, told Voice of America radio that Mr. Savimbi, whose troops suffered two major defeats this week, had asked Washington to arrange a meeting as soon as possible between government and rebel military leaders.

UN Lists New Measures in Cambodia
 PHNOM PENH (AP) — United Nations officials announced new measures Thursday to curb the political violence threatening to undermine efforts to restore peace in Cambodia.
 Earlier this week, the national reconciliation leader, Prince Norodom Sihanouk, severed ties with the UN peacekeeping operation because he said it was unable to stop violence against opposition parties in Cambodia. On Thursday, the chief of the UN operation, Yasushi Akashi, signed a directive establishing procedures for indicting and prosecuting alleged human rights violators, said his spokesman, Eric Falt.

Plane Was Diverted Before Crash
 PARIS (Reuters) — A German passenger plane that crashed at Charles de Gaulle International Airport near Paris, killing four passengers, was forced to change runways at the last minute because of a hitch on another flight, French authorities said Thursday.
 The twin-propeller De Havilland Dash-8 plane, on a scheduled Lufthansa flight from Bremen, crashed 500 meters short of the runway in drizzle and fog late Wednesday. The 15 other passengers were injured, seven of them badly.

For the Record
 A spokesman for the Georgian leader, Eduard A. Shevardnadze, on Thursday denied a report by Ipinida, a Georgian news agency, that Mr. Shevardnadze had suffered a minor heart attack. The spokesman said that Mr. Shevardnadze, 64, was in normal health. (Reuters)
 A meeting of South Asian leaders, postponed after the destruction of a mosque by Hindus in India on Dec. 6, will be held in the Bangladeshi capital, Dhaka, on Jan. 13 and 14, officials said. (Reuters)

Correction
 The name of the chairman of Deutsche Aerospace, Jürgen E. Schrempf, was misspelled in Thursday's edition in an article about negotiations between his company and the Boeing Co.

TRAVEL UPDATE

A terminal for domestic air travel, with an annual capacity of about 2 million passengers, opened Thursday at the Helsinki-Vantaa Airport, officials said in Helsinki. (AP)
 British Airways and its European partners will increase flights in Europe by 23 percent from this summer, BA's chief executive, Sir Colin Marshall, said Thursday in Brussels. He said most growth would come from increasing services on existing routes and on those taken over from recently acquired Dan-Air. (AP)
 Severe winter conditions has paralyzed life throughout Turkey, affecting air travel, closing the Dardanelles Straits and isolating thousands of villages, news reports said Thursday in Istanbul. At least one person froze to death, thousands were left without electricity and citrus growers reported heavy damage. (AP)
 A Hong Kong company will begin a high-speed ferry service from Shenzhen that offers travelers an alternative to using the colony's congested Kai Tak airport. The 260-passenger ferry serves the international airport in the neighboring Chinese economic zone. The trip takes about an hour. Shenzhen airport offers connections to more than two dozen Chinese cities. (Reuters)
 A Japanese travel company will offer a special tour to the United States aimed at introverted Japanese wanting to learn how to negotiate with Americans. The Japan Travel Bureau said that the group tour would "provide participants with real experience of debate in the United States." They will attend lectures by White House lobbyists and debating classes at Harvard before practicing in New York themselves. (AP)
 France was the world's most popular tourist destination in 1992 with more than 60 million foreign visitors, the Tourism Ministry said Thursday. Germany provided the most tourists with 13.9 million, followed by Britain with 8 million and Italy with nearly 7 million. (Reuters)

A Cleric in U.S. Makes Trouble in Egypt

By Chris Hedges
New York Times Service

NEW YORK — A blind Muslim cleric now preaching in Brooklyn and New Jersey, who stood trial in Egypt a decade ago for the assassination of President Anwar Sadat, is emerging as the spiritual leader of an Islamic fundamentalist movement that has carried out a series of violent attacks that has shaken the Egyptian government.

Sheikh Omar Abdul Rahman, living in self-imposed exile in the United States following his acquittal, is a voice heard not only in the mosques that run along Brooklyn's Atlantic Avenue, where Yemeni, Sudanese and Egyptian immigrants worship, but also on tens of thousands of scratchy cassette tapes that are sold in the back alleys and hallways of Cairo's schools and universities.

His message, which includes calls to eradicate anyone who stands in the way of Islam, has begun to rattle not only Egypt, but also U.S. officials, who are seeking to deport him.

The FBI is also investigating the cleric in connection with three slayings in the United States, and Egyptian authorities contend that he is behind dozens of violent attacks in Egypt, including a spate of shootings against foreign tourists.

The cleric's calls for violence have suddenly gained prominence with the marked increase in attacks in Egypt by Muslim militants on Coptic Christians, foreign tourists and Egyptian government officials.

The 54-year-old cleric is the spiritual mentor to legions of young Egyptians, who find in

his fiery, uncompromising vision a promise to sweep away the "corrupt" rule of President Hosni Mubarak and replace it with a pure Islamic state.

"Islam has roots in Egypt, and the country's future belongs to the Islamists," the cleric said in a message broadcast recently over the Lebanese radio station of the Iranian-backed Party of God. He warned that Mr. Mubarak's fate would match that of Mr. Sadat.

"The Egyptian regime is fighting Islam," the cleric declared in the broadcast, "spreading vice and immorality, and trying to eradicate Islamic values in the country." His sermons are duplicated on tapes and smuggled back home.

"Sheikh Omar Abdul Rahman uses New York as a base," said Mamdouh Beltagui, the director of the Egyptian state information service. "He raises funds and sends money back to Egypt with couriers. He passes on messages to his followers, giving orders about what they should do next and who they should target. We do not understand why the U.S. authorities have allowed him to enter the country."

The State Department contends that the cleric, who is on an official U.S. terrorist list, got into the country from Khartoum, Sudan, in May 1990 on a tourist visa.

U.S. immigration officials revoked the cleric's green card in March, and he is appealing the decision. He is charged with misrepresenting himself on his visa application, polygamy and "crimes of moral turpitude," according to Immigration and Naturalization Service officials.

The cleric, who once taught theology at Asyut University, now lives in Jersey City. He

has three wives, two of whom live in Cairo with their six children. His third wife is an American convert to Islam.

U.S. officials in Cairo contend that the Egyptian government does not want the cleric, who was one of two defendants acquitted in the 1982 trial of more than a score of Muslim fundamentalists for the 1981 assassination of Mr. Sadat, to return to Egypt.

"The Egyptian government, for all the noise it makes, does not want him here and has never wanted him here," a diplomat in Cairo said.

The teachings of the cleric are stark for their simplicity and their call to violence. The cleric is fond of issuing *fatwas*, religious edicts that call for the murder of infidels.

But U.S. and Egyptian authorities say there have been other, less publicized edicts that tie the cleric and his followers in Egypt, known as The Islamic Group, to a series of killings both in Egypt and the United States, including the recent attacks against foreign tourists.

El Sayyid Nosair, currently serving seven to 25 years for crimes related to the slaying of Rabbi Meir Kahane, the Israeli rights leader, was a frequent worshiper at the cleric's mosque in Brooklyn. And U.S. officials contend that the cleric has made sure that Mr. Nosair, an Egyptian immigrant with an American-born wife, and his family receive financial support until his release.

The FBI is investigating the cleric for possible involvement in the slaying of Mustafa Shalabi, an Egyptian immigrant who was found murdered in his Brooklyn apartment over a year ago, as well as the slaying of Rabbi Kahane and the killing of a man in Cleveland.

India Admits Police Ran Amok in Kashmir

Compiled by Our Staff From Dispatches

SOPORE, India — Indian police officials acknowledged Thursday that paramilitary security forces killed 33 people and set fire to scores of buildings in the Kashmir town of Sopore in revenge for an attack by anti-Indian militants.

"The security forces went amok," said a senior police superintendent, S. Sahay.

Thousands of Kashmiri Muslims, defying a curfew imposed after the killings, staged anti-India demonstrations in Sopore on Thursday and went on strike. Other towns in the Kashmir Valley, where there is near-total support for a three-year rebellion against Indian rule, closed down in protest.

A senior local government official said all those killed in the violence Wednesday were civilians. The police have reported more than 9,000 deaths during the three-year revolt.

Mr. Sahay said a government version of the violence Wednesday was untrue. According to that account, people were killed in cross-fire between militants and security forces, and the explosion of a militants' arms dump caused the fires.

The superintendent said most of the paramilitary Border Security Force went on a rampage in retaliation for an attack by militants on one of their bunkers in Sopore that killed a trooper. The security men, he said, deliberately set houses and shops ablaze, and the fire was spread by the explosion of a cooking-gas cylinder.

Prime Minister P.V. Narasimha Rao ordered an investigation and sent the parliamentary affairs minister, Ghulam Nabi Azad, a Kashmiri, to the state. The Kashmir administration announced a separate investigation.

Fire fighters, still hosing down burning buildings Thursday, said security forces kept them away for two hours and threatened to shoot if they tried to put out the blazes.

The Sopore incident is the latest of several in which paramilitary troops have retaliated for the deaths of colleagues by burning down the houses of militant suspects.

India has admitted that some incidents have occurred, but has said that most of the widespread charges of human rights abuses by security forces are propaganda. (Reuters, AFP)

Milosevic Makes Concessions on Kosovo

By David Binder
New York Times Service

GENEVA — President Slobodan Milosevic of Serbia has made a number of verbal concessions on the issue of Kosovo, the tension-filled province in the south of his republic that is inhabited largely by ethnic Albanians, a United Nations spokesman said Thursday.

Mr. Milosevic began his rise to the top of the political heap in Serbia on the Kosovo question five years ago. He has since imposed a harsh repression on the Albanians, who are believed to constitute 90 percent of the province's population. The rest are Serbs and their ethnic cousins, the Montenegros.

In talks Wednesday in Belgrade, Mr. Milosevic told Cyrus R. Vance, the UN envoy who is the senior co-chairman of the International Conference on Former Yugoslavia, that he was prepared to reopen primary schools for Albanians, permit improvements in their health care and

allow an independently conducted census of the population.

These were all items mentioned by Mr. Vance in the course of three and a half hours of discussions with Mr. Milosevic, said Fred Eckhart, the spokesman for the Yugoslavia conference here. "He said no to nothing and yes to everything," Mr. Eckhart remarked Thursday.

Mr. Milosevic, who was re-elected last month on a strongly nationalist platform, has earned a reputation among domestic and foreign officials of not keeping his word during the last 18 months of fighting in former Yugoslavia and before that as well. So it remains to be seen whether he will deliver on the Kosovo issues.

But Mr. Vance and Lord Owen of Britain, the other co-chairman of the Geneva conference, were plainly heartened by Mr. Milosevic's attitude, not only on Kosovo, but also on the war in Bosnia-Herzegovina and relations between Serbia and Croatia, which fought a war in 1991.

Meanwhile, in the Bosnian capital, Sarajevo, the United Nations' top relief official for the former Yugoslavia said Thursday that the world should do "something radical" to prevent a still greater catastrophe.

Jose-Maria Mendeluce of Spain, speaking at a news conference, declined to say whether he would support Western military action, but he stressed the area's humanitarian problems.

The UN has estimated that as many as 1.6 million people, out of a Bosnian population of 4.4 million, are at risk this winter from hunger and cold.

President Milosevic's Serbs accepted Slovenian independence after a few bloody skirmishes. But they did not accede to the secession of Croatia, the homeland of 600,000 ethnic Serbs, until December 1991 after troops loyal to Mr. Milosevic had seized one-third of Croatia's territory.

That scenario was more or less repeated last spring in Bosnia and Herzegovina, where the ethnic mix involving three entities is far more complicated.

From Belgrade, a close associate of President Cosic's said by telephone that it was "improbable for several reasons" that he would invite President Milosevic to join him in Geneva on Sunday.

Judge's Order Lays the Groundwork For Honecker to Avoid Murder Trial

New York Times Service

BERLIN — In a decision that may lead to the dropping of criminal charges against Erich Honecker, a judge ordered Thursday that the former East German leader's murder case be severed from those of his co-defendants because of his advancing illness.

The judge, Hans Boss, said he would decide next Thursday whether Mr. Honecker should be freed because of his "greatly limited ability to face trial." The former leader's lawyers said they expect the decision to be favorable, and suggested that Mr. Honecker be released from prison as early as Thursday evening.

If he is released, he is expected to fly to Chile to join his wife and daughter. Some commentators speculated Thursday, however, that he may already be too ill to make the trip.

Judge Boss took over from Hansgeorg Bräutigam, who was removed this week on the grounds of possible bias after he passed on a request for Mr. Honecker's autograph and then appeared to mislead questioners about the incident.

Gas Fire Kills 29 In South Korea

Reuters

SEOUL — A fire that detonated liquefied natural gas tanks in a basement ripped through an apartment building, killing at least 29 people and injuring 60 in the South Korean city of Chongju, the state radio said Thursday.

Toxic fumes hampered rescuers, who searched through the rubble of the four-story building, which was still smoldering more than 18 hours after the fire began. The police said it started with an electrical short circuit in the basement, which detonated the gas tanks two hours later.

Blocked fire escapes prevented some tenants from escaping. South Korea's worst fire tragedy in more than two decades. Nearly 400 people lived in the building, which also housed dozens of commercial stalls and shops on the lower floors. The death toll is expected to rise.

Heartening Note on Transplants

Reuters

LONDON — Heart transplant patients live longer than once believed, the British Medical Journal said Friday in a report. The operation was once seen as giving only short-term benefits, sometimes as a last-ditch attempt to save life.

Doctors at the Royal Brompton National Heart and Lung Hospital and the Harfield Hospital followed the progress of 18 patients who in 1986 had survived heart transplants for 10 to 33 months.

Fourteen were still alive in 1992, having lived as long as seven years after their operation, the report found. Three of the four who had died got a lease of life for more than five years. Ten of the patients still worked full-time, and 11 reported no restrictions on their daily lives.

Oil Spreads on Coast of Shetlands, But Wrecked Tanker Stays Intact

By Richard W. Stevenson
New York Times Service

SUMBURGH, Shetland Islands — Oil continued to pour from the battered tanker wedged against a cliff on the south coast of the Shetland Islands on Thursday, creating a spreading slick that killed more birds and endangered the salmon farms that are a major industry here.

Local and national authorities, unable to gather much information because of the fierce weather, said it was too soon to determine the full extent of the damage done so far by the spill, or to provide any reliable assessment of the remaining risk to the environment and the economy.

But two days after the disabled tanker, the Braer, crashed into the rocky coastline and began disgorging its cargo of nearly 600,000 barrels of light crude oil, officials said the damage did not appear to have reached the catastrophic proportions initially feared.

The Braer, half submerged but in one piece, weathered another day of fierce pounding from the surf, and the authorities said they were increasingly optimistic that the vessel would hold together, eventually giving them a chance to pump off any remaining oil before it drained into the sea.

Officials said the wind had blown a thin slick as far as 10 miles up the west coast of Mainland Island from the point of the spill near the southernmost tip of the island, and four miles up the east coast.

Officials of Scotland's environmental agencies and the Royal Society for the Protection of Birds said they had found 235 dead birds by mid-afternoon Thursday, and that they expected many more to wash ashore in coming days.

Salmon farmers on the west coast prepared to place small booms around their fish pens along the shore line, but reported no oil damage so far.

The high winds and rough seas helped disperse the oil flowing out of the Braer's ruptured tanks.

But the weather also halted virtually all cleanup and salvage efforts, and again thwarted attempts to board the tanker to assess its condition and determine how much oil remained in its hold.

With the stretch of oil heavy in the air along the coastline, residents said they were becoming increasingly concerned not just with the potential economic harm done to them by the accident, but with the potential effects on their health from the oil being sprayed inland by the wind.

Some parents sent children to relatives further inland, and the local school had children indoors all day as a precaution.

The chief executive of the Shetland Islands Council, Malcolm Green, said that a standby plan for the evacuation of some residents had been prepared.

But health officials who measured the air for contaminants played down any health concerns for the 23,000 residents of the Shetlands.

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TRANSITION/

Judiciary Panel Gets 2 Women Senators

By Clifford Krauss
New York Times Service

WASHINGTON — After the tumultuous hearings over the nomination of Clarence Thomas to the Supreme Court, Senator Joseph R. Biden Jr. said he wanted a woman on the Judiciary Committee to rest any accusations of insensitivity among the panel of 14 white men.

For the new session Senator Biden, the Delaware Democrat who is chairman of the Judiciary Committee, has been assigned two women: Carol Moseley Braun of Illinois and Dianne Feinstein of California.

The selections by the Democratic Party Steering Committee for the Senate's 12 most prestigious panels included no surprises for senior members.

But Wednesday's announcement was much awaited by the eight first-term Democrats, whose work for two years will be largely determined by the appointments.

The Judiciary Committee's treatment of Anita F. Hill, a law professor who accused Justice Thomas of having sexually harassed her, pro-

voked an uproar among many women who charged that the all-male panel did not take her charges seriously.

Republican members on the panel tried to find discrepancies in her testimony with tough questioning, while Democrats were seen by critics as allowing the nominee to escape strong cross-examination.

Senator Feinstein was also appointed to the Appropriations Committee, the panel that finances programs ranging from weapons systems to foreign aid, along with Senator Patty Murray, the freshman from Washington.

Senator Murray is also expected to be appointed to the Senate Ethics Committee, which will look into the accusations of sexual harassment against Senator Bob Packwood, Republican of Oregon. There are no women currently on the ethics panel.

Senator Feinstein said she would work to toughen federal crime laws on the Judiciary Committee, and that while on the Appropriations Committee she would work to "rebuild our economy and put America back to work."

★ POLITICAL NOTES ★

In New Book, Quayle Will Try to Spell It Out

WASHINGTON — Add Vice President Dan Quayle to the list of Bush-era authors. Associates say Mr. Quayle's book will detail his odyssey from the boat dock in New Orleans in 1988 — where George Bush created shock waves by selecting the little-known Indiana senator as his running mate — through Mr. Quayle's agonizing efforts to put that first campaign behind him.

Associates say that the vice president, who is joining a seeming crowd of Bush administration authors, will stay in Washington until the summer so his children can finish their school terms and will start the book during that time.

The work, his friends say, will not be a kiss-and-tell. It's probably unlikely that President Bush will face a deluge of hostile and controversial books after he leaves office. (W/P)

Christopher Works to Woo Jewish Lobby

WASHINGTON — Secretary of State-designate Warren M. Christopher has met with representatives of several major Jewish organizations to defuse tensions between Jewish groups and the incoming administration.

At the meeting were Lester Pollack, chairman of the Conference of Presidents of Major American Jewish Organizations; Monte Friedman, vice president of the American Israel Public Affairs Committee, the leading pro-Israel lobby, and Elizabeth Schrayner, the lobby's political director.

Some of the organizations had been expressing concerns about Mr. Clinton's choices for top foreign policy jobs. They feared that these veterans of the Carter administration might not be inclined to carry out the pro-Israel policies that Mr. Clinton espoused during the campaign.

Mr. Christopher, who was deputy secretary of state in the Carter years, played no major role in policy and has no record of antipathy to any parties to the Arab-Israel conflict. (N/T)

Court Bars White House From Erasing Files

WASHINGTON — A judge has ruled that a White House plan to destroy some computerized records is unlawful, and he ordered the National Archives to prevent the Bush administration from erasing most records contained in the White House computer system.

Judge Charles R. Richey of U.S. District Court said Wednesday that he was concerned that the Bush administration, which had said it might begin destroying some unspecified records Thursday, was about to erase records "of tremendous historical value."

Judge Richey noted that such information was of crucial importance to the Iran-contra and Watergate investigations of past administrations.

"When left to themselves, agencies have a built-in incentive to dispose of records relating to their mistakes," he said.

The order occurred in a 4-year-old Freedom of Information case brought by a journalist, Scott Armstrong, the National Security Archives, a public-interest clearinghouse of U.S. records, and others.

The records in question are contained in several White House computer systems, and they range from telephone messages to electronic mail to complete memoranda.

Judge Richey's order could allow the incoming Clinton administration to review the computer records, a result the Justice Department has said President George Bush urgently wanted to avoid.

The judge issued a temporary restraining order against the administration several weeks ago, but Justice Department lawyers told the judge at a Dec. 21 hearing, after the order expired, that they would wait only until Thursday before they would destroy records.

At that hearing, Judge Richey warned the administration and Justice Department lawyers that they could face civil and criminal action if they improperly destroyed records. (W/P)

Quote-Uncquote:

A senior Clinton nominee describing Representative Les Aspin of Wisconsin, Mr. Clinton's choice for defense secretary, who by all accounts lives, eats and breathes policy issues: "This is really his life. He's got no kids. His life really is thinking through and coming up with national security positions." (W/P)

Away From Politics

- The navy should permit women to fly combat aircraft missions and to serve aboard all navy ships, including submarines and amphibious vessels, the secretary of the navy, Sean O'Keefe, said in an address at the U.S. Naval Academy in Annapolis, Maryland. While his comments during his final days in office are not binding, they signal a changing attitude among senior officials.
- Nitroglycerin pills, a common heart medicine, are in short supply in the United States because the only company that makes them, Warner-Lambert Co., had manufacturing problems. Production of Nitrostat was curtailed in November and December. The company did not say why production was off but added that it had resumed.
- Fire fighters in Jacksonville, Florida, using an unproven foaming method, smothered a gasoline storage tank fire that had burned for five days. A worker was killed when the fire broke out Saturday.
- Hopes of creating a test-tube panda cub with eggs taken from the giant female panda, Ling-Ling, at Washington's National Zoo were dashed when scientists said their attempt to fertilize the eggs failed.
- A defendant in the massacre at a Thai Buddhist temple in Phoenix, Arizona, on Aug. 10, 1991, pleaded guilty in exchange for an agreement by prosecutors not to seek the death penalty. The defendant, Alessandro Garcia, 17, also agreed to testify against a former classmate, Johnathan Doody, 18, in the slayings of the nine people.
- Up to 20 workers were injured when part of a building under construction at a Digital Equipment Corp. site in Hudson, Massachusetts, collapsed. Reports said a ceiling apparently collapsed, trapping workers under the debris.
- The police arrested three white suspects in the kidnapping and burning of a black tourist in Tampa, Florida. The suspects, aged 17, 26 and 33, are day laborers and were charged with attempted murder, armed kidnapping and armed robbery. Christopher Wilson, 31, of New Jersey, was kidnapped from a shopping center, robbed, doused with gasoline, set on fire and left to die in a field.
- The New York City Council approved a bill allowing victims of bias crimes to sue attackers for unlimited penalties, but last-minute action on the measure exempted police officers as lawsuit targets. (LAT, UPI, AP, W/P, AP)

REPORT ON THE THOMAS HEARINGS



A workman on the Capitol grounds preparing a stand for the presidential inauguration on Jan. 20.

Reich Sails Through Senate Hearing

By Frank Swoboda
Washington Post Service

WASHINGTON — At some point, Labor Secretary-designate Robert B. Reich told the Senate Labor Committee at his confirmation hearing Thursday, the nation's economy will actually recover and lots of jobs will be created. Unfortunately, he said, they are not likely to be very good jobs.

"The economy is just beginning to turn around. If we get to the point where we really are in a recovery there are going to be lots of jobs. The problem is the quality of those jobs," he said near the end of the three-hour hearing.

But the man who was the architect of much of Bill Clinton's domestic economic program during the campaign seldom went beyond boilerplate campaign rhetoric in answering questions about the economy. At one point, when asked about Mr. Clinton's plans for balancing the budget to reduce the size of the federal budget deficit and the need to spend money to help stimulate the economy, Mr. Reich declined to answer saying "I don't want to spill the beans."

At another point, Mr. Reich made it perfectly clear how the Clinton economic team would operate: "Bill Clinton is his own economic decisions." Mr. Reich said, however, that as secretary of labor he would be part of the new president's economic team.

When pressed about specific problems facing the Labor Department, Mr. Reich usually asked for time to study the problem once he was confirmed. He reiterated the Clinton administration's support for legislation requiring employers to provide family and medical leave as well as a ban on employer use of permanent strikebreakers.

Mr. Reich spent most of his time talking about the need for the nation to provide skills training to the majority of high school graduates who do not earn a college degree. This is the area of his greatest expertise. He has written extensively about it from his job as a lecturer at Harvard University.

If confirmed, he told the committee, he would make the Labor Department "the Department of America's strategy for economic growth."

The one thing he did not mention was the word "union." Nobody on the panel, which includes some of the Senate's most liberal Democrats, appeared to mind.

Senator Nancy Kassebaum of Kansas, the ranking Republican on the committee, summed up what everyone already knew when she told Mr. Reich "I doubt if there are any doubts about confirmation."

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DEFICIT: Regrouping on Budget

(Continued from page 1)

adding up." Mr. Clinton ignored questions about whether he could make good on his campaign promise to halve the deficit in four years in light of the latest grim economic projections.

His spokesman said that the economic team was examining both the short-term budget outlook and long-term efforts to strengthen the economy.

Meeting with Mr. Clinton were the incoming Treasury secretary, Lloyd Bentsen, and the budget director-designate, Leon E. Panetta. Also joining the strategy session were Laura D'Andrea Tyson, the nominee to head the Council of Economic Advisers, and Robert E. Rubin, who has been named to head the new National Economic Council, as well as other economic advisers.

Clinton's Early Response
Robert Pear of The New York Times reported earlier from Washington:

In his initial response to the projections of larger deficits from President George Bush, Mr. Clinton appeared to back off his campaign pledge to cut the federal budget deficit in half in four years.

He said the Bush administration had camouflaged the magnitude of the deficit.

The president-elect said in Little Rock on Wednesday that the new deficit figures, issued by the White House as part of Mr. Bush's final budget, were an "unsettling revelation." But in the presidential campaign, Mr. Clinton's own advisers repeatedly told him that the deficit would be larger than acknowledged by Mr. Bush or assumed by Mr. Clinton in his campaign manifesto.

The incoming administration seemed to be using the new estimates of the deficit from the Bush White House for two purposes: to begin revising Mr. Clinton's campaign promises, and to lay the political groundwork for unpopular measures to cut the growth of government spending, or even perhaps to raise some taxes.

Mr. Bush's budget for fiscal year 1994, which begins Oct. 1, shows

federal spending of \$1.5 trillion, representing nearly one-fourth of the nation's total output of goods and services. It projects a deficit of \$292.4 billion in 1994, rising to \$319.8 billion in 1998.

By contrast, in his last report to Congress, in July, Mr. Bush said the budget deficit would decline to \$274.2 billion in 1994 and to \$273.4 billion in 1998. The new estimate of the 1998 deficit is \$46 billion higher than the estimate made by the White House five months ago. The actual deficit for the fiscal year 1992, which ended three months ago, was \$290.2 billion, a record.

The projected deficits for 1995 and beyond are higher than previous estimates by the White House, but are still based on the unrealistic assumption that spending for a wide range of domestic programs will be frozen in the next five years, with no allowance for inflation.

Aides to Mr. Clinton said that he still wanted to halve the deficit, but that it would probably take more than four years to achieve that goal.

"It would be imprudent to go too far on deficit reduction so you put the economy in a tailspin," said a member of the transition team.

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Clinton and Market Trends

Will There Be a Pattern in First 100 Days?

By Lawrence Malkin
International Herald Tribune

NEW YORK — Fear and greed may be the dominant emotions on Wall Street, but a complete electoral change in Washington can also produce either hope or despair among investors.

Which one will follow Bill Clinton's inauguration? History offers no discernible pattern in links between the White House and Wall Street, between a president and the indexes.

What has happened in earlier transitions may be informative for participants in the Trib's First 100 Days Competition. But they are likely to find it more profitable to study the present behavior of the market and the state of the U.S. and the world economy.

The competition invites readers to test their political acumen by predicting what Mr. Clinton's approval rating will be in the first Louis Harris poll published after his first 100 days as president.

Secondarily, and perhaps more difficult, it asks for an estimate of where the Trib Index and the Dow Jones industrial average will be, as well as the value of the dollar against either the Deutsche mark or the yen. (Details and an entry blank are on this page.)

Wall Street gurus believe economic conditions will be more decisive than the new president's approval rating, which, after all, typically rises in a new president's first term. Many believe Wall Street is already oversold on political and economic euphoria and is riding for a fall of perhaps 5 to 7 percent.

"The stock market has about 50 to 100 factors, of which company earnings are probably worth 10 percent and everything else far less," said Laszlo Birinyi, whose Wall Street consulting firm runs computerized studies of just such things. "The market is a funny salad, so if you ask me about the effect of a new president, I'll ask you what happens to a salad when you take out the radishes."

The exception was the first 100 days of Franklin D. Roosevelt, when the Dow rose a phenomenal 43 percent as the new president remade the battered economy in a whirlwind of legislation that is unlikely to be repeated by Bill Clinton or anyone else.

The market feeds on change but it is also ruthlessly nonpartisan. During the first years of Democratic occupancy of the White House after World War II, the Dow rose an average of 6.06 percent. Republican victories were followed by an average rise of 7.51 percent.

Individual elections tell their own stories. Most relevant this year are those in which the White House changed parties. In the first three months after the election of the Republican war hero Dwight D. Eisenhower in 1952, the Dow rose 8 percent, but then had fallen 5 percent by the end of April. For the first year as a whole, the Dow rose only 2 percent.

John F. Kennedy's election ignited a Wall Street rocket that pressured the powerful bull market of the 1960s. After his election, the Dow shot up 11 percent during the first three months, 16 percent during the first six months, and 20 percent in the first year.

Richard Nixon's election left the market totally flat for six months and down by 10 percent after a year as the economy slid toward recession. Ram-

panant inflation was worse for Jimmy Carter. The Dow dropped 1 percent in the three months after his election, 5 percent by the end of his first 100 days and was down 16 percent a year after his election.

For laying confusing trails, however, nothing beats the market's initial record under Ronald Reagan. The Dow rose only 2 percent during the three months after his election, then began dropping even though his approval rating stood at a healthy 62 percent at the end of his first 100 days, and had lost 8 percent by November of 1981 as the nation headed into deep recession. Few could see the historic bull market that lay ahead.

Investors now stand at about the same point they did early in 1981, but lack the advantage of hindsight in assessing present performance. Last fall, the Dow had risen 126 points from the year's low on Oct. 9 to 3,262 the day before Mr. Clinton's election. From then to the start of this year it rose 47 additional points or only 1.44 percent, essentially a sideways movement. Most specialists now emphasize the stock market's volatility and fragility.

In the view of Michael Metz of Oppenheimer & Co., the stock market "has already discounted a lot of wonderful things" — slow growth, low inflation and what looks like a sensible president — and "is not ready for negative surprises."

Among the surprises that could show up in the statistics of the next month couple of months is a possible relapse in unemployment, which is reported on the first Friday of each month and is generally regarded as the most significant U.S. economic statistic.

"Unless there is a lot of job creation, people won't have money to spend," Mr. Metz said. "The first sign of that could come in the monthly retail sales figures. We had a big Christmas but it was financed on borrowed money. A collapse in retail sales could bring down the market."

The Christmas retail figures will be released Jan. 14, but the ones to watch will come out a month later, reflecting post-Christmas doldrums. They are likely to be exaggerated and off target because of cuts in the government's statistical service to save money. Other potential market depressants include sagging exports reflecting slowdowns in Europe and Japan, and a fourth-quarter decline in the profits of U.S. companies reflecting weaker foreign currencies that convert into fewer dollars.

Mr. Metz and Robert Walberg of MMS International arrived separately at a forecast that the Dow would drop from its present level of 3,300 to about 3,180. Mr. Walberg said he expected the decline to set in around the end of February when euphoria about the economy and Mr. Clinton start to dissipate. But he declined to predict precisely when the Dow will bottom out.

Like any prudent economic forecaster, Mr. Walberg follows the basic rule of his craft: Pick a number or a date, but never both. Participants in the Trib Competition do not enjoy that luxury.

This is the second of four articles intended to help readers refine their predictions. The first appeared Jan. 4, and the two remaining — concerning the Trib Index and currency fluctuations — will appear before the competition deadline, Jan. 19.

CLINTON'S FIRST 100 DAYS

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Tie-breaker questions (in the event of a tie, the winner will be the entrant who most correctly answers the following questions):

Q2. The Trib Index (see first business page for details) on April 30, 1993 will be:

Q3. The Dow Jones industrial average at the 4 P.M. close on April 30, 1993 will be:

Q4. The value of the U.S. dollar in Deutsche marks or yen at the 4 P.M. close on New York (as reported in the Trib) will be (choose either currency):

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No purchase required to enter this competition. IFT employees or staff not eligible.

This announcement is your entry form (no more than one entry per contestant, please) and must be postmarked or faxed no later than January 19, 1993 to:

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IRAQ: Missiles Are Being Moved, After Defiant Reaction to Ultimatum

(Continued from page 1) made in the campaign in terms of Iraq, he said. The ultimatum took effect immediately after it was delivered in writing to Ambassador Hamdoun, in New York at 5:30 P.M. Wednesday, diplomats at the United Nations said.

The message is clear: that those batteries should not be located below the 32nd parallel, said Marlin Fitzwater, the White House spokesman. At the Pentagon, a senior official said Iraq was told to move the missiles "back to where they came from." The official, who spoke on condition of anonymity, said the missiles had been moved from near the Al Jarrah air base in southwest Iraq.

The four nations also demanded that Iraq stop using the missiles' radar units to track American planes — an action considered hos-

tile since it warns pilots that they may be under attack. The Bush administration had made it clear that it was prepared to take the missiles out by force if Mr. Saddam did not back down. "The president's still the president until the 20th. That's his option," Representative Bob Michel of Illinois, the House minority leader, said Thursday after joining Republican first-term congressmen for a meeting with Mr. Bush at the White House.

In Little Rock, Arkansas, President-elect Clinton's spokesman called Mr. Saddam an "outlaw" and said the Iraqi leader would get the same kind of response from Mr. Clinton once he is in office. "I don't know what he's doing," George Stephanopoulos said of Mr. Saddam. "I can't read his mind. But he's going to get the same response either way."

Robert M. Gates, director of central intelligence, asked in a television interview if he could see any alternative to force, replied: "It does not seem, after our experience of the past two years, that Saddam seems to understand any other message."

Meanwhile, Representative Lee H. Hamilton, Democrat of Indiana, chairman of the House Foreign Affairs Committee, suggested that further deflection by Mr. Saddam was likely. "He thinks there might be some indecision here, so he's probing and testing," Mr. Hamilton said, "and I think when Mr. Clinton becomes president he'll probe and test again."

SADDAM: Is He Blustering?

(Continued from page 1) as few as 100 — are believed to be operational. Facing them is the full array of top U.S. warplanes, including the F-15 fighter-bomber — also in service with the Saudi Air Force.

Even if Iraq was using mobile SA-6s and other late-model Soviet-made missiles — and not just the aging SA-2s and SA-3s reportedly involved — U.S. warplanes carry electronic devices to detect a missile attack and help a pilot evade it.

In addition, Iraq's missiles and planes have been exposed to maintenance problems by the embargo against Baghdad, and crews lack training. Iraqi factories can turn out some spare parts, and North Korea reportedly has smuggled some new Soviet-made missiles to Baghdad.



JUST DROPPING IN — The British defense secretary, Malcolm Rifkind, preparing to board the HMS Starling from a Royal Air Force helicopter on Thursday. Mr. Rifkind is on a three-day visit to Hong Kong to tour its military garrison, which is the focus of a Chinese-British dispute.

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SOMALIA: U.S. Marines Attack Warlord's Arsenal

(Continued from page 1) changed, even though U.S. Marines were now patrolling more aggressively in the most dangerous streets of the capital and its outskirts. General Johnston predicted more clashes were likely, since more Marines were on the streets, extending their reach and deliberately seeking out the hoodlums.

During the assault, General Aidiid's militiamen fired back at the U.S. helicopters and ground troops with anti-aircraft guns, and tried to engage some U.S. troops with their technicals, but they were quickly overwhelmed by what General Charles E. Wilhelm called "very decisive force" from about 400 U.S. troops.

The attack Thursday on the weapons arsenal on the outskirts of the city was the most serious engagement to date between the U.S. forces and the militiamen and bandits. In the attack, which one gener-

The Marine is the first serviceman injured in the operation, but a civilian employee of the U.S. Army was killed, and three State Department security guards were wounded by a land mine last month. General Wilhelm gave no estimate of the number of Somalis killed or wounded in Thursday's raid, but said he saw about 15 Somalis taken prisoner.

Kuwait Puts Air Force On Alert

Compiled by Our Staff From Dispatches KUWAIT — Kuwait put its air force on alert Thursday because of the tension between the United States and Iraq over surface-to-air missiles stationed in southern Iraq.

German Gains New Parity In Alsace Primary Schools

STRASBOURG, France — The government announced authorization Thursday of the use of German alongside French in primary schools in Alsace, breaking with a long tradition of linguistic parity in the border region it has struggled historically to keep.

The French education minister, Jack Lang, and a senior regional official, Jean-Jacques Weber, signed a charter on bilingual teaching in primary schools, thereby recognizing German as an official language for the first time. Under the charter the ministry will organize activities in German while the region will pay for the hiring and training of German-language teachers.

Alsace has changed hands between France and Germany four times since the end of World War II, although many residents continue to speak Alsatian, a German dialect.

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Will New Daily News Cause Daily War?

Reviews
NEW YORK — Mortimer B. Zuckerman has finalized his \$36 million purchase of the Daily News, his attorney said Thursday, setting the stage for a new round in New York's newspaper wars.

The newspaper, once America's biggest local daily, was forced to seek bankruptcy protection in December 1991, a month after the drowning of its British owner, Robert Maxwell.

Mr. Maxwell's properties were left in a legal and financial tangle and ultimately went into bankruptcy proceedings in Britain and the United States.

Under terms of the Daily News deal, Mr. Zuckerman will pay \$18.25 million in cash, assume \$8.25 million in liabilities and take on \$9 million to \$10 million in bills owed by the paper.

"The closing will be effective with the beginning of business Friday," said Mark Kirschner, Mr. Zuckerman's attorney.

Mr. Zuckerman owns the Atlantic Monthly and U.S. News & World Report magazines.

Completion of the sale comes despite a lack of agreement with the New York Newspaper Guild, one of the paper's biggest unions with 540 members. Mr. Kirschner said layoff notices would go to 175 members of the union Thursday night. "The layoffs will take place today," he said.

Battle Lines Drawn
 William Glaberson of The New York Times reported from New York:

Mr. Zuckerman's purchase of the Daily News could lead to a newspaper war in the nation's largest city and challenge the conventional wisdom that New York cannot support four newspapers.

In an industry that is part production-line grit and part blue smoke and mirrors, the arrival of Mr. Zuckerman as the would-be savior of the bruised Daily News could give the 73-year-old newspaper new life and the city a new publisher with a history of winning influential friends and making bitter enemies.

It could also ignite a fight with and among labor unions, because of Mr. Zuckerman's failure to reach an agreement with the Newspaper Guild, one of the newspaper's 10 unions.

The Guild represents writers and editors as well as advertising and circulation employees.

The volatile union situation is only one of a series of challenges facing Mr. Zuckerman, a multimillionaire real-estate developer. He must stabilize a bankrupt newspaper that lost \$100 million during the last 10 years.

After a torturous acquisition process, news-industry analysts are saying, "Now comes the hard part." Mr. Zuckerman's promise to

revitalize the News amounts to a test of whether a big-city mass-circulation tabloid can prosper into the next century.

In an interview this week, Mr. Zuckerman said he would build the News by capitalizing on what he called the newspaper's niche as a practitioner of street-smart journalism for ordinary New Yorkers.

"It is my intention," he said, "to have it remain a popular and populist tabloid speaking with the voice of New York to the average working family of New York."

He outlined what he described as a simple strategy. Advertisers, he said, will be drawn by a quality product and a growing circulation. He said that by cutting labor costs and others, he expected the News, which has been losing \$7 million a year, to be profitable from his first year of ownership.

But even if he gets through what is certain to be a difficult transition, he will confront many of the same problems that whitened away the News's strength for decades.

Although it still has a circulation of almost 800,000, many of its readers have aged and moved away from the city. The pool of advertisers eager to appear in an urban mass-circulation newspaper has steadily declined from the 1940s, when the daily newspaper sold 2.4 million copies.

Mr. Zuckerman has not yet named his editor, although he has

talked with several news executives in the United States and Britain.

Signs of a news battle are likely to come soon, not just at the News, but also at The New York Times, The New York Post and Newsday, each of which will need to defend itself against the new News.

At The New York Post, which has long been considered the most endangered of the New York newspapers, Peter S. Kalikow, the publisher, said The Post was "poised to do O.K." in new competition in the city. He said an imminent agreement with an investor would give The Post the capital to modernize its printing equipment.

At The New York Times, Arthur Ochs Sulzberger Jr., the publisher, said he welcomed the prospect that the News could return to financial health, partly because it could be an important journalistic voice.

Conventional industry analysis has long held that The Times benefits if the News is strong because the News operates as a buffer, keeping New York Newsday, with its corporate backing, from attempting to compete with The Times for its higher-income and better-educated readers.

The New York Times has a daily circulation of 1,145,890; the News has 777,129; Newsday, which circulation includes Long Island Newsday and New York Newsday, has 758,358, and The Post has 437,918.

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Maharishi's New Year Gift to All Governments Administration through Natural Law

A Proven Programme to Create a Perfect Government with the Ability to Satisfy Everyone

The mark of a successful government is its ability to bring satisfaction to everyone. As recent world events demonstrate, democracy is failing this test. Not only have communism and dictatorship failed, but democracy too has proved unable to satisfy everyone.

The world's largest democracy, India, has proved that democracy is a system of administration that disintegrates and divides society. The world's wealthiest democracy, the United States, suffers from many symptoms of widespread dissatisfaction and political failure—crime, economic problems, a national health crisis, and government gridlock.

The ancient Indian, eternal Vedic, system of administration based on the principle of 'YOG'—the unifying principle of the evolutionary power of Natural Law—offers fulfillment to every government through Natural Law-based administration that brings satisfaction to all.

Natural Law—the Government of the Universe

Natural Law silently and automatically governs the universe and our world. The dynamism of galaxies, stars, and everything in the universe is the expression of the quiet, brilliant light of the intelligence of Natural Law. Natural Law, ever awake within everything, is the light of life that administers all life with perfect orderliness.

Fulfilling the Purpose of Government

No government today is fulfilling its purpose, which is to bring satisfaction to all. The interests of the minority are often compromised for the sake of the majority and, in today's crime-ridden, chaotic societies, even the majority is rarely satisfied.

Constitution of the Universe

Government in accord with Natural Law is government based on the Constitution of the Universe. Both modern science and Maharishi's Vedic Science locate the unified source of Nature's perfect order in a single unified field of intelligence at the foundation of all the Laws of Nature and the entire manifest universe.

Integrated National Consciousness

To gain the same perfection in administration, a nation's government must be supported by the Constitution of the Universe. This is spontaneously achieved when the collective consciousness of all the citizens of the nation is highly coherent and integrated.

Fulfilling the Constitutions of Every Nation

It is the purpose of every constitution to maintain law and order by bringing satisfaction to all. Existing constitutions are not achieving this purpose because they are man-made and reflect the limitations of the human mind, which is not sufficiently comprehensive to organize for the satisfaction of everyone.

Validated by Ancient Record

Our programme to enliven the Constitution of the Universe in national consciousness is supported by both modern scientific research and ancient historical records. For example, the Vedic Literature of India records numerous periods of ideal civilization based on administration through Natural Law. One such period is described in the Rām-Charit-Mānas:

Supported by Vedic Science

In each of these periods of ideal civilization, it was the citizens of the nation living in alliance with Natural Law who upheld the flawless functioning of their government.

Maharishi's Absolute Theory of Government

We are establishing Maharishi Vedic Universities around the world to bring the knowledge and practical programmes of Maharishi's Absolute Theory of Government to the leadership of every society. Maharishi's Absolute Theory of Government brings to light the Constitution of the Universe at the source of all the Laws of Nature. It will now be used to improve the efficiency of the man-made constitutions and laws of every country.

found that a large group of experts in our Natural Law-based programmes, which include Maharishi's Transcendental Meditation and TM-Sidhi Programme, reduces negative tendencies such as violence and crime and strengthens positive trends throughout society. The spontaneous generation of these benefits from greater coherence in collective consciousness has been called by scientists the Maharishi Effect.

Automation in Administration

This absolute phenomenon of administration begins in the self-referral state of the individual. The Bhagavad-Gītā describes the mechanics of creation and administration from the absolute, self-referral state of consciousness:

Automated Administration

Prakṛitī svān avashābhya vijirāmi punaḥ punaḥ, bhūtagrāmaīmān kṛtsnān avashān prakṛitīvaśā. —Bhagavad-Gītā 9.8

Alliance with Nature's Government

Politics in modern times is a story of alternating multi-party democracy and dictatorial rule. Failing in its purpose to satisfy everyone, democracy falters and dictatorship arises. When one-man rule in turn fails to bring satisfaction to all, democracy is restored.

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Cave and Father's 40-Mile Trek Save Family

Los Angeles Times Service
CEDARVILLE, California — A California couple and their infant son missing for a week were found alive in a remote area of northwestern Nevada after being stranded in snow and freezing weather and seeking refuge in a cliffside cave.

"All three of them appear to be in remarkably good condition," said Diane Robertson, a spokeswoman for the California Highway Patrol.

James Daniel Stolpa, 21, an army private first class, wandered into Vya, a high desert hamlet about 20 miles east of here, and was found in an incoherent state by a road crew Wednesday morning, the authorities said. He had walked more than 40 miles (65 kilometers) to reach the outpost, after having left his family two days earlier in the cave in a snow-wreath, rocky sheep pasture known as Hell's Canyon.

Jennifer Stolpa, 20, and their 5-month-old

son, Clayton, were found in the cave by rescuers who were guided to the site by Private Stolpa.

The baby was reported in good condition, having survived by nursing, while Private Stolpa and his wife, who was wearing thin socks and tennis shoes, suffered frostbite and mild hypothermia, the authorities said. The family had a sleeping bag and extra clothing but no food or water in the cave, and the couple had to eat snow to survive.

have been common in the northeastern counties of Siskiyou and Shasta and in the High Sierra ski country, where whiteouts periodically close the slopes. Gas stations and grocery stores in snowbound regions have run low on supplies.

Residents are urged to listen to emergency radio broadcasts for warnings of mudslides in the coastal mountains, floods along swollen rivers or other natural catastrophes that punctuate California life.

The heavy weather is great news for ski resort operators and hydrologists, who measured the snowpack and its water content at Echo Summit in the Sierra on Tuesday and found it to be the deepest and wettest in many years.

Snowed In, California Braces for More

By Jane Gross
New York Times Service
MCCLOUD, California — After seven years of drought, this remote Siskiyou County town is buried under two meters feet of snow and oldtimers are doing the back-breaking work of shoveling their roofs while dreaming of summer, when the mountain lakes will be brimming and the pine forests less likely to burst into flame.

"A lot of people will grumble for a while," said Dick Wood, a semiretired wallpaper hanger who cleared his roof so that it would not collapse under the next grooming load of snow and stacked up on kerosene in case falling trees down power lines again. "But in the end they'll be happy, because we need the water."

Mr. Wood rested from his labors by a wood-burning stove at the McCLOUD Soda Shoppe and Cafe on Main Street, reminiscing with friends about the last comparable snowfall four decades ago and waiting for the next big storm, which forecasters said was near.

Up and down California on Wednesday, people braced for another wave of the wet, cold weather that has caused havoc there in recent weeks, especially in the northern half of the state. At least six weather-related deaths have been reported as a result of avalanches, accidents and falling trees. The California Highway Patrol has made dozens of helicopter rescues of people stranded in snowmobiles or vans.

Road closings and tire chain restrictions

are common in the northeastern counties of Siskiyou and Shasta and in the High Sierra ski country, where whiteouts periodically close the slopes. Gas stations and grocery stores in snowbound regions have run low on supplies.

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Clinton Set U.S. Tells Ukraine: No Deal To Maintain It Rejects Bargaining to Win Ratification of START-I

By Steven A. Holmes
New York Times Service
WASHINGTON — Hoping to stave off a flood of new Haitian refugees, aides to President George Bush and President-elect Bill Clinton said in an unusual joint statement that both men are pressing for a political settlement in the troubled nation.

By Don Oberdorfer
Washington Post Service
WASHINGTON — The Bush administration has rebuffed an appeal by a high-level delegation from Ukraine for additional U.S. measures that would facilitate Ukrainian ratification of the first strategic arms reduction treaty.

Arms Control Association, a private group advocating arms control. This compares to about 8,000 strategic warheads in Russia, the group said, and around 1,500 warheads in Kazakhstan and Belarus, two other former Soviet states.

A senior U.S. official said the Ukrainian delegation was told emphatically that Washington would not bargain to persuade Ukraine's legislature to ratify its commitment to remove nuclear weapons from its soil.

"We're not going to bargain for their vote," the official, who asked not to be quoted by name, said Wednesday. "We're not going to bid up the price."

The official echoed a statement by Secretary of State Lawrence S. Eagleburger complaining about the delay in Ukrainian ratification and said Ukraine should promptly move ahead in keeping with statements by its president, Leonid M. Kravchuk, including a promise that he made to President George Bush. Ukraine's ratification of the treaty known as START-I, which was signed in May by Ukraine and two other successor states to the Soviet Union, is considered a pivotal issue for the future of strategic arms control.

Russia has made it clear that it will not carry out its START-I obligation to reduce its nuclear weapons unless Ukraine ratifies its own promise to rid itself of the strategic nuclear weapons on its soil. Russian failure to carry out START-I would make a deal between the even more ambitious START-2 treaty signed in Moscow last Sunday by Mr. Bush and the Russian president, Boris Yeltsin.

About 1,650 strategic nuclear warheads from the former Soviet Union are in Ukraine, according to the

The chairman of Ukraine's National Disarmament Committee, Deputy Foreign Minister Boris Tarasjuk, said Wednesday that three problems were important to the legislature, which he depicted as having a mind of its own.

Guarantees of Ukrainian security from the United States, Russia and other powers, which would be provided in return for Ukraine giving up the nuclear weapons on its territory, Mr. Tarasjuk said Ukrainian officials hoped for declarations, either jointly or separately, from "the highest political levels."

Special security assurances for Ukraine have been under discussion between the United States, Russia, Britain and perhaps other powers. But U.S. sources were emphatic in saying these assurances would be provided after, not before, Ukraine ratifies START-I as well as the Nuclear Nonproliferation Treaty, effectively renouncing any nuclear ambitions.

Funds to assist Ukraine in the dismantling of nuclear weapons, Mr. Tarasjuk gave no estimate of these costs, but dismissed a figure of \$1.5 billion provided earlier by another Ukrainian official, Mr. Bush, in a recent letter to Mr. Kravchuk, offered \$175 million to assist Ukraine.

Issues regarding the conditions, placement and methods of dismantling strategic nuclear warheads, Ukraine would like more "technical control" over the use of the weapons on its soil, Mr. Tarasjuk said attempts to place the weapons under the control of Russia, rather than the Commonwealth of Independent States, which includes Ukraine, are unacceptable.

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former guerrillas said they had halted the destruction of their surface-to-air missiles, which was the final phase of their weapons destruction program under United Nations observation, because that should go in tandem with the military purge.

Both sides said they were waiting to hear the reaction of the UN secretary-general, Boutros Boutros Ghali, to the phased purge plan, which was delivered to UN officials in New York on Tuesday.

Rebels Allow El Salvador's Leader To Delay Purge of Defense Chief

By Shirley Christian
New York Times Service
USULUTAN, El Salvador — President Alfredo Cristiani has confirmed for the first time that he is retaining his top military chief, General René Emilio Ponce, the defense minister, probably remaining until then. Under the peace accords, the entire purge was to have been completed already.

After strolling through the town of Usulután from a military ceremony with General Ponce at his side, Mr. Cristiani said at a news conference that "for the moment, there is no plan to remove the minister or vice minister of defense."

General Ponce and his deputy, General Orlando Zepeda, were understood to be on the list of more than 100 army officers selected by a three-man purge commission for removal from the army or transfer out of command positions on the grounds that they were responsible for the worst abuses of civilians during the war.

Although Mr. Cristiani insisted on Wednesday that the country was calm and the military behaving

with "professionalism" in the face of the beginning of the purge of its upper ranks, he had used the argument of national stability to the former guerrillas to defend his plan to delay part of the purge.

The former guerrillas said they had halted the destruction of their surface-to-air missiles, which was the final phase of their weapons destruction program under United Nations observation, because that should go in tandem with the military purge.

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talks they may have found some common ground that allowed Mr. Cristiani to go forward with his plan to stagger the purge between now and the end of his term, in May 1994, with General Ponce, the defense minister, probably remaining until then. Under the peace accords, the entire purge was to have been completed already.

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Czech Walls Did Have Ears

PRAGUE — More than 160 electronic listening devices were found in the embassies and homes of German, Austrian and British diplomats in Czechoslovakia after the overthrow of communism.

Herald Tribune

The Solution for Iraq

Baghdad's deployment of anti-aircraft missiles near and inside the no-flight zone declared over southern Iraq directly threatens the lives of allied pilots. President George Bush and allied leaders have issued a stern and necessary response: Either Iraq shuts down the missile sites on its own by Friday or the allies may have to do it for them.

Give Hope to Haiti

Hoping to avert another wave of desperate Haitian refugees, the incoming and outgoing U.S. administrations are working together visibly and closely. The first and easiest thing to do is to reassure Haitians that they have not been forgotten and abandoned.

Chelsea Goes to School

The announcement that the Clintons' daughter will attend private school in the District of Columbia was instantly construed as a vote of no confidence in public schools generally and in those of the District in particular.

Other Comment

START at a Transition Time: It is perhaps fitting that the president of the United States who promised a kinder, gentler nation and spent much of his presidency overseeing the burial of the Cold War should in his last moments in office sign the pact for a dramatic reduction in the arsenals of the world's two mightiest nations.

INTERNATIONAL HERALD TRIBUNE KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER Co-Chairmen

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Americans Can't Do It All, or Do It Alone

By Flora Lewis

PARIS — After the nasty campaign, both George Bush and Bill Clinton have been handling the transition with mutually respectful elegance. It is to their personal credit, and, more important, provides a pole of stability at a time of great international uncertainty when virtually all major governments that the United States has to deal with are weak and indecisive.

adjustments required. Of all the allies, France is most prepared to accept that the world will not run itself respectably without an effort by those who are able to establish rules of the road. It is eager to play a part and craves acknowledgment.



By BADO in Le Droit (Ottawa); C&W Syndicate

United Nations that it now has 60,000 troops in the field, compared with 10,000 at the start of 1992; and demands for more are piling up. How much should the United States support?

NATO is quietly but diligently working to transform itself for an undefined new mission, aimed at extending the peace among allies to the east and providing a resource base for interventions elsewhere.

The threat of a spreading Balkan war endangers European stability, particularly around Hungary. The number of ethnic Hungarians living on the other side of borders with Romania, Slovakia and former Yugoslavia equals a third of Hungary's actual population, which would not sit still for any "ethnic cleansing" of brethren.

The United States has to be the first to decide. Mr. Clinton has not inherited the "end of history" but a tumultuous new beginning. The longer the central question is left unanswered, the less will attractive options be available.

Germany: The Descendants Are Plain Dangerous

By Michael Peterson

WEITERSTADT, Germany — I am an Auslander living in Germany, one of the very few American writers residing here. I have lived in Germany 13 of the past 19 years — my children were born here.

Germany have forfeited forever any right to exercise the freedom to hate or terrorize.

years' probation for murdering several foreigners, I am apprehensive about German justice for my troubling-looking "foreigner" son.

Then the other night, as every night, I was walking my dog through the village. A group of rowdy teenagers approached; this was not uncommon, but for the first time since living in Germany I felt angry.

I can tell you from having lived here 13 years: When the Germans get this orderly, even more anal than usual, it's time to worry. When they start into their orderly mode, watch out, because what is first and foremost not in order are all these foreigners.

I know the Germans are "good," and I like Germany well enough. But... Years ago other Germans were "good" and deplored Nazi violence. Had one asked them what they thought of murdering 6 million Jews and prying out the gold fillings of their teeth, they would have responded with incredulity and outrage —

India: The Nation's Democratic Identity Is at Stake

By Sunanda K. Datta-Ray

CALCUTTA — Prime Minister P. V. Narasimha Rao faces two main problems. The first is what to do with a small plot of ground where a centuries-old mosque stood in the northern city of Ayodhya — until Hindu zealots tore it down on Dec. 6.

not be held before 1996. He is trying to play for time on the Ayodhya site, claimed by both Hindus and Muslims as sacred. But his efforts at evenhandedness seem to carry little weight with India's Muslim population of more than 100 million.

Change, Not Extremism

By James C. Clad

WASHINGTON — With the destruction of the Ayodhya mosque, a revolution in political identity is sweeping India. More and more Indians are defining themselves as Hindu. Shopkeepers, middle-income farmers, disgruntled military men, civil servants and others are now identifying with, and voting for, the Bharatiya Janata Party.

Mr. Rao hopes to placate Muslims as well as Hindus by building both a mosque and a temple on the disputed site. But extremists in both communities have rejected this idea. And the government's attempt to acquire land for the two structures has run into legal entanglements.

The Quotas Can Mean Quagmire

By Leslie H. Gelb

NEW YORK — Reagan Democrats squawk about Bill Clinton shortchanging them in favor of Carter foreign policy liberals. Jewish leaders complain that the Clinton team is not sufficiently Jewish or pro-Israel. Women and blacks demand their share of the diplomatic and defense pie. Nothing new here in job jockeying, particularly not among Democrats — except in degree. But degree can be everything.

Under daily pounding, the president-elect is taking a good idea — making his national security team "look like America" — too far too fast. If his devotion to diversity congeals into artificial and goofy quotas, his team will overflow with people who are not up to their responsibilities and who will not get along with each other, or with him.

Many women, blacks and others are more than ready for the most senior posts on the domestic side of the administration. Many have had plenty of experience in Congress or in state and local government. But very few have comparable grounding in national security positions. More women and blacks need honing at midlevel positions at State and Defense and should be given the edge for those posts.

As for conservative Democrats and pro-Israel Jews, they, too, deserve representation in the administration. But some job candidates from these groups can't work with anyone who disagrees with them. Their tolerance for diversity is zero, and Mr. Clinton has to exercise great care not to mortgage his policies to their rigid views.

Many of these people screamed a year ago that President George Bush and Secretary of State James Baker were anti-Semites and enemies of Israel. The truth was that both men wanted to change certain hard-line Israeli policies, not hurt Israel.

Now these self-appointed arbiters of who loves Israel are targeting Secretary of State-designate Warren Christopher and the national security adviser-to-be, Anthony Lake. Yet none have the foggiest idea what either Mr. Lake or Mr. Christopher thinks about Israel. The appointees' guilt rests solely on their having served Jimmy Carter. And while some Carter officials were too hard on Israel and naive about the Arabs, so were scores of officials in every administration since Harry Truman's.

Singling out Jimmy Carter is particularly monstrous because he undoubtedly did more to ensure Israel's security than any president before or since. At direct risk to his power and prestige, he peacefully brought about peace between Egypt and Israel at Camp David. The treaty, along with Israeli military power, has prevented a new Mideast war.

Nonetheless, Mr. Clinton seems poised to reward the purveyors of this anti-Carter, guilt-by-association garbage by naming ideologues of their choice to his team.

Nothing better illustrates Mr. Clinton's thinking about diversity and his vulnerability to pressure than his last-minute juggling of appointments three weeks ago. He had settled firmly on Mr. Christopher at State, Mr. Lake at the National Security Council and Les Aspin at the Pentagon. He was prepared to name Clifford Wharton, a black pension executive, as United Nations ambassador (after Ron Brown, another black leader, turned him down), Madeleine Albright to a senior State Department post and Thomas Pickering, a brilliant career diplomat, as director of Central Intelligence.

But then women's groups weighed in heavily about being underrepresented in the cabinet. So Mr. Clinton shifted Mr. Wharton to the number two spot at State and moved Mrs. Albright over to the United Nations, with the promise to raise that job to cabinet status. Then the conservatives howled about being left out although Mr. Aspin certainly fits their profile. To satisfy them, Mr. Clinton named James Woolsey, a staunch conservative, as chief spy. Mr. Pickering may end up as special Mideast negotiator, which would please Jews and Arabs alike.

All or most of these moves could turn out just fine. It is the next set of appointments that could cause trouble. If Mr. Clinton now names blacks or women who are not yet qualified for high posts, or Jews whose main aim will be to support Israel right or wrong, or conservatives whose principal efforts will be to savage former Carter administration officials whatever their individual records, he will be sorry — and so will America.

The New York Times

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1893: In a Dickens Vein

LONDON — Training schools for pickpockets, at which "Artful Dodgers" are taught the intricacies of their art by benevolent patrons, still exist in London. The chairman of the Penitentiary Prison Visiting Committee stated yesterday (Jan. 7) that during the past year 276 boys under sixteen were sent to prison. He asked one boy when he had first begun to steal, and he replied that he lived in a common lodging-house, where they were taught to pick pockets.

1918: Over Where?

LONDON — They are playing "Over There" over here. It is rapidly becoming the war song of England as well as America. The soldiers brought it over with them and now the orchestras in all the restaurants are playing it nightly. People have picked up the words and they join in the chorus. One night recently, when a thousand persons were having af-

ter-theatre supper in the big room of the Savoy Hotel, the orchestra struck up "Over There." The cheering was so enthusiastic that the orchestra played it a round dozen times, and the chorus of voices almost drowned the sounds of the instruments.

1943: FDR Sees an End

WASHINGTON — [From our New York edition:] President Roosevelt stood today (Jan. 7) before a joint session of Congress and, after taunting the Axis powers by revealing hitherto secret figures showing the vastness of America's war production, predicted in somewhat veiled but unmistakable language that the "united nations" will defeat Germany, Japan and Italy before 1944 comes to an end. Facing an audience of notables who interrupted his speech with applause on forty-four occasions, the President declared that 1943 will bring "a very substantial advance along the roads that lead to Berlin and Rome and Tokyo."

صوتنا من الامم

OPINION

Applying the Bush Rules of Engagement to Bosnia

By William Safire

WASHINGTON — When a departing president makes a serious effort to examine and articulate the idea that guided his foreign policy, attention should be paid.

"Force can be a useful backdrop to diplomacy," he told the cadets. "a complement to it, or if need be, a temporary alternative."

The president did not use the usual formulation of using force only when our vital national interests are at stake. Why not? The relative importance of an interest is not a guide. Military force may not be the best way of safeguarding something vital, while using force might be the best way to protect an interest that qualifies as important but less than vital.

However, the human right to avert starvation is a nonvital but still important U.S. interest, and force is the best way to protect the United States' lesser interest there. Therefore, President Bush

sent troops to enforce order. This may have been thought through afterward (in the Nixon days, we called it "post-planning") but at least we now have a framework to embrace the Bush foreign policy. Unfortunately, with his concern lest "principle displace prudence," Mr. Bush flinched from applying his force criteria to the Balkan savagery. He judged: "It's not been clear that the application of limited amounts of force... would have had the desired effect."

Humanitarian Crises: Don't Forget the Victims

By David J. Scheffer

WASHINGTON — If a modern doctrine on humanitarian intervention begins to emerge from the Somali operation, it should embody more enlightening principles than those proposed by Charles Krauthammer in "Somalia, Yes, Bosnia, No: The Crucial Distinction" (Opinion, Dec. 12).

troops operating in an ambiguous peace. The American public will support a more expansive policy of humanitarian intervention provided the burden is more equitably shared among the major powers and relevant regional states. The challenge for U.S. diplomacy is to lead in developing appropriate UN military capabilities and financial resources to take on these assignments in a timely and effective manner.

Such threats now easily encompass humanitarian calamities and can fall far short of genocide. Massive violations of human rights within a country can lead to large refugee migrations, internal armed conflicts spilling over national borders, dangerous pressures on regional resources, devastated economies with aid burdens stretching far into the next century or transnational environmental catastrophes.

The violation of collective human rights must be egregious, unconscionable and so pervasive as to affect thousands of individuals. This internal aggression can include "ethnic cleansing," widespread denial of food and shelter, unjust incarceration of thousands of civilians in detention or concentration camps, rampant torture and rape, indiscriminate shelling and military assaults on civilian populations, and mass casualties and killings of civilians.

Who decides that internal aggression merits an international response? Despite its imperfections, the Security Council (where the United States has a veto) is the UN organ empowered with the task. Military intervention should be collective, authorized under the UN Charter and executed to do more good than harm.

Not every humanitarian crisis requiring a military response will get one. But at least humanitarian calamities will not be governed by principles that abandon most of the victims.

The writer is an international lawyer and a senior associate at the Carnegie Endowment for International Peace. He contributed this column to The Washington Post.



No Room Between Fat and Anorexic

By Ellen Goodman

BOSTON — I have long regarded every trip past the checkout counter as the supermarket's version of a journey through the valley of death. It is a narrow and dangerous passage with candy bars to the left of you, tabloids to the right.

scaring words are about starvation. What they describe as their "normal" eating is someone else's strict diet.

I am caught in a cross-fire, trapped between junk food for the stomach and junk food for the mind. Mars bars volley against extraterrestrial visitors. Sugar and fat thunder against sex and celebrities.

But the fare on one side of the aisle has changed substantially. The tabloid menu which once offered up a steady selection of sexual adventures among the rich and famous now offers up a diet of diets. Morality tales about fat.

It appears that celebrity adultery is now less interesting than star-studded gluttony. Tales about Hollywood's sleeping habits are less appetizing to inquiring minds than tales about Hollywood's eating habits. Or its not-eating habits.

One of the celebrity regimens discussed is that of Princess Di. If indeed she was anorexic or bulimic as reported earlier on those same pages, then writing cheerily about her health program is like publishing a book on the late singer Karen Carpenter's "Tips for Slaying Trim."

Consider the National Enquirer's recent swimsuit — yes, swimsuit — issue. The illustrated sport it covered was major-league celebrity weight-watching. One of the star players was, of course, Liz Taylor. Once, the public was fascinated by her marital ups and downs. Now people want to read about her scale's ups and downs. Yo-yo dieting.

The National Examiner carries the same mixed message. It features a crash diet on its cover. On Page 2, it prints a story about adolescent anorexics.

Then there was the talk-show host Oprah Winfrey. Remember when paparazzi were paid to catch stars in their love nests? Oprah was photographed cheating — on her spa diet. She was

Maybe what we need isn't sex education in the schools, it's eating education. In the meantime, if you find an American who does not know her weight and is delighted with her body, send her name to the tabloids. That is an American story as rare as anything you'll find across the aisle from the Snicker bars.

The Boston Globe.

LETTERS TO THE EDITOR

The Right to Pardon

Regarding the Bush pardons of former Defense Secretary Caspar Weinberger and others, it is now generally understood that 1) the president may pardon "except in cases of impeachment," as the U.S. Constitution states in Article 2, and that 2) the beneficiaries must face accusations that they had committed crimes, such as lying under oath to Congress, which are impeachable.

CIA assessment; no wonder they disliked Doder at Langley.

He worked harder than any of us, spoke the language better and had better contacts. We all had contacts with the KGB; this was inevitable, as every second Soviet journalist worked for the organization. We all got information from these KGB men, but our job was to try to weed through it.

To Fight the Mutilation

Regarding "This Torture Can Be Stopped" (Opinion, Dec. 30): Much as I agree with A. M. Rosenthal in his passionate denunciation of clitoridectomy, I cannot but disagree with his suggestion that Western countries should exert economic pressure on governments to make them "truly fight female mutilation."

Ashamed of Europe

I am ashamed of the European governments. Their feeble excuses for inaction in the face of the brutal, hellish war in ex-Yugoslavia is unfathomable. Our European "leaders" apparently relish working out

Regarding "This Torture Can Be Stopped"

much as I agree with A. M. Rosenthal in his passionate denunciation of clitoridectomy, I cannot but disagree with his suggestion that Western countries should exert economic pressure on governments to make them "truly fight female mutilation."

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In Defense of Doder

Regarding "U.S. Newsman Rejects Story of KGB Link" (Dec. 21): I was based in Beijing for several years as CBS News bureau chief while Dusko Doder was there for U.S. News and World Report. Having shared confidences often, I know his character and his view of totalitarian dictatorships.

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President George Bush justifies his pardon of Caspar Weinberger and others for their conduct in the Iran-contra affair on grounds of their patriotism. Patriotism is a virtue so long as the service rendered to one's country does not lead to immoral actions. But patriotism is a vice when people acting out of concern for their country disregard morality and violate the nation's laws or constitution. Mr. Bush's pardon, it seems to me, is immoral and unpardonable.

JES BJARUP, Aarhus, Denmark.

Regarding "U.S. Newsman Rejects Story of KGB Link"

I was based in Beijing for several years as CBS News bureau chief while Dusko Doder was there for U.S. News and World Report. Having shared confidences often, I know his character and his view of totalitarian dictatorships.

JOHN W. SHEAHAN, Arolsen, Germany.

Many mornings in Moscow we went down to Dusko Doder's flat and discussed the latest events in the Kremlin. I was Moscow correspondent then for the German financial daily Handelsblatt (I am now its Far East correspondent), and I will remember how in the days before the deaths of Leonid Brezhnev and Yuri Andropov, Dusko was the first to notice tell-tale changes in television programming.

Quirky Charms Of Chaotic Tunis

Most People Are Passing Through, But It's Worth Stopping to Visit

By Michael Balter

TUNIS — On a recent Lufthansa flight from Frankfurt to Tunis, I sat in business class with a group of German businessmen. Each was toting a bulky briefcase stuffed with papers, but instead of suits, they wore bluejeans and denim shirts. When I asked the man sitting next to me who they worked for, he named a major German multinational corporation.



Michael Balter

A shop in Grand Souk de Chechias.

connect with one of the several daily flights south to the resort island of Djerba, rent a minibus, drive across the causeway to the Tunisian mainland, and continue the 150 or so kilometers (95 miles) to the Libyan border.

For most Western visitors, Tunis is a stop en route to someplace else: The luxury hotels of Djerba, the coastal cities of Sousse, Sfax, and Monastir, or the beaches of the Cap Bon peninsula. Although handfuls of German and Italian tourists can be found strolling among the medieval markets of the old medina, or sipping espresso in the sidewalk cafes along the Avenue Habib Bourguiba, since the Gulf war you rarely see a British or American face in the Tunisian capital. Perhaps visitors from the winning side are unsure of their welcome in a city that hosts the Arab League headquarters and the PLO's administrative offices. Everyone I met in Tunis, curious about my accented French, asked where I was from.

An American? Really? And what did I think of Saddam Hussein? The question was a taunt, to see how brave I thought I really was. Not so brave, actually, as I mumbled noncommittally about the complexities of the international situation.

Tunis is noisy, chaotic, and often unfriendly. All the easier, then, to appreciate those quirky charms the city does offer to the visitor who hangs around for more than a

day. Moreover, compared to the resort cities along the coast, a stay in Tunis is relatively inexpensive. The one-star hotel I chose at the edge of the medina was only about \$15 a night.

Until the late 19th century, the city did not extend much beyond the confines of the medina. The marshes of the shallow Lake of Tunis extended to the Bab el Bahr, or Sea Gate, which still stands on the Place de la Victoire next to the British Embassy. When the French invaded in 1881 and claimed Tunisia as their "protectorate," they drained much of the marshland and extended the city further east. Today the Ville Nouvelle, with its broad boulevards and Belle Epoque architecture, is the real center of Tunis, and the overcrowded medina has been largely abandoned to recent Arab immigrants.

It's easy to get lost in the medina's winding, narrow passageways, and most visitors stick to the two main streets, which begin at the Place de la Victoire: the Rue de la Kasbah, leading to the government buildings on the far side of the old town, and the Rue Jamaa Ezzitouna, which ends in front of the Great Mosque at the very center of the medina. Here I was accosted by a one-eyed Turkish perfumer, who led me through a maze of back streets and into a carpet shop, where we climbed several flights of stairs to a terrace with a sweeping view of the city. He refused my repeated offers to pay him, and seemed only mildly disappointed when I didn't buy any perfume.

The Avenue Habib Bourguiba, named after the hero of Tunisia's independence struggle and the nation's first president, is the main artery of the Nouvelle Ville. Prior to 1956, when France released the country from its beneficent protection, this wide boulevard was called the Avenue Jules Ferry, in honor of the 19th-century statesman whose machinations helped capture Tunisia for the French. The avenue's center median is lined with two rows of broad-leaved fig trees, and when the wind whips across the city — as it often does during the summer, when the parched Sahara desert gasps in lungfuls of humid air from the Mediterranean Sea — thousands of sparrows race along the treetops and raise a high-pitched cacophony.

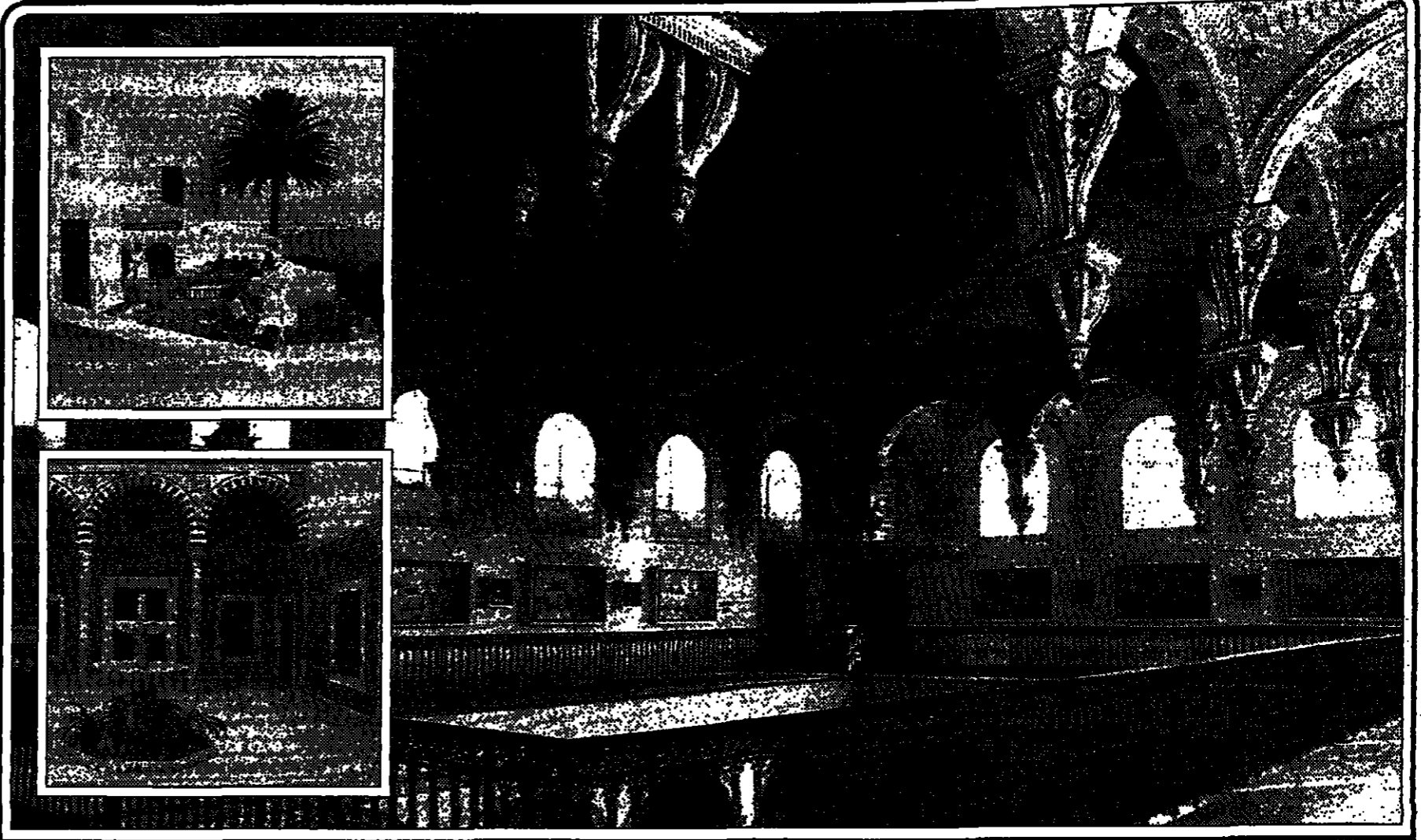
UNDER the trees, the booths of the flower sellers are redolent with jasmine, and the kiosks sell newspapers from around the world. But don't bother looking for the popular French daily Liberation, as the paper has been indefinitely banned by the Tunisian government for its allegedly "defamatory" coverage of the recent conviction in Paris of one Habib Ben Ali for drug trafficking. Ben Ali, who was tried in absentia, happens to be the brother of Tunisia's current president, Zine El Abidine Ben Ali.

The Avenue Habib Bourguiba is the departure point for a number of excursions out of the city center. A tram or bus ride through the western suburbs leads to the Bardo, the former palace of the beys, the civil administrators who ruled the city when Tunisia was in the grasp of the Ottoman Empire. The Bardo today is a spectacular museum. Its staggering collection of Roman mosaics covers most of the floors and walls, and the exhibition rooms are stuffed with statuary and other artifacts from the great cities of Roman Africa: Bulla Regia, Thuburbo Majus, Utica, and, of course, Carthage.

People who like their ruins relatively intact might find the remains of Carthage disappointing. The Romans didn't leave much standing when they destroyed the Phoenician city in A. D. 146. But for those who don't mind exercising a little imagination, the trip out along the Gulf of Tunis on the TGM railroad is recommended. The remains of the Baths of Antonine and the Roman villas are well worth exploring, however, and as the afternoon fades you can always continue on to the cafes and restaurants of Sidi-bou-Said.

This cliff-top village, a cluster of white houses with ornately trimmed blue doors, is so pretty that even the summer crowds of tourists can't detract from its charm. The view across the gulf is magnificent, and as twilight draws a pink curtain across the water, the lights of Tunis seem to beckon you back into the arms of that chaotic city.

Michael Balter is a free-lance journalist living in Paris.



The Bardo palace museum; insets: the Bay of Tunis from Sidi-bou-Said, top; courtyard of the Great Mosque.

In Italy, See Man's Real Best Friend

By Susan Lumsden

ROME — The donkey, the first beast of burden to be domesticated, the plodding hero of Mediterranean civilization, is one of the planet's endangered species. But fear not, some intrepid Italians are taking on the challenge.

Classified as endangered in 1983 by the World Wildlife Fund, the wild African donkey (*Equus asinus africanus*) might soon be joined by his domestic cousins in Italy, now reduced to 100,000 from a million at the turn of the century.

A victim of mechanization, the donkey is still an object of veneration, particularly at Epiphany, on Jan. 6, when the Three Wise Men arrived in Bethlehem to worship the Christ Child. As a sign of humility, Melchior, the eldest wise man, traveled by donkey to the manger.

Throughout Christian art, the donkey has embodied the wisdom of patience and obedience, says Paolo Portoghesi, 61, an international architect, head of the Venice Biennale and a founding member of Gli Amici degli Asini or Friends of Donkeys, a small group of Italians dedicated to saving one of man's oldest friends from extinction in a country whose agriculture depended on the beast until the 1950s.

"The donkey has been useful to us for 6,000 years or ever since he was first domesticated in Nubia about 4,000 B. C. Now that we don't need him, we are dumping him into the garbage as if he were nothing," said Portoghesi.

The donkey is the animal that asked the least of man, said Portoghesi. Evolved in the North African desert, he requires little water and no shelter. "Although they are still a means of transport in the Sudan where I have worked, I became interested in donkeys only after my wife and I built a house in 1979 in Calcata, a small town 45 kilometers north of Rome in the old territory of the Etruscans.

"One day a farmer who still used a donkey to carry cow's milk told us of its newborn, which he didn't know what to do with, having just ordered a tractor, and tagged it for the slaughterhouse. We were horrified at the thought of an animal just born being destined for death. When we saw it, we were literally seduced, we bought it right away and named it Balthazar.

"A few years prior, there had been a film by Robert Bresson titled 'Au Hasard, Balthazar' whose protagonist was a donkey. It was one of the most beautiful films in the history of cinema. The donkey was a symbol of humility, suffering and obedience but with moments of rebellion, but gentle rebellion, it was so taken by it that, when confronted by



The Portoghesis' pet dog Gala with donkeys at Calcata farm.

this creature, I decided to raise donkeys to assuage the guilty conscience of man."

Italian donkey owners like Portoghesi, and Gli Amici plan to propagate the many sub-species of the peninsula and islands.

Princess Nicoletta d'Ardea Caracciolo, an art historian currently researching an exhibition on Catherine de' Medici, has eight amiatini donkeys on her farm at Magliano-in-Toscana near Monte Amiata, which is near Montalcino and some of the best Brunello vineyards. Traditionally, donkeys were draped with grapes and celebrated with the harvest, she says, which is perhaps why donkeys live longer than horses, almost 40 years.

"Donkeys are also more intelligent, refusing burdens they cannot bear rather than tossing them later," said Caracciolo. "They are as affectionate as dogs, have good memories and tend to be loyal to mates and offspring." The latest arrival in Magliano is

Pallino ("Little Ball"), who is beige, male, three months old and thriving.

In art, donkeys are depicted from Greek vases to Giotto frescoes, in particular, those of the Scrovegni Chapel in Padua. According to Caracciolo, the most interesting discovery of the recent restoration of Benozzo Gozzoli's "Procession of the Magi" fresco in Florence were the three donkeys retrieved from the candle smoke and grime.

"As well as Melchior, the eldest Magi on a white donkey, it is now clear that Cosimo, the eldest Medici, is riding a brown donkey from Yemen, or possibly a mule, as a sign of his humility before the Christ Child. This is wonderful symbolism," said Caracciolo.

Donkeys weren't all that good, says Orlando Cianfroni, a farmer now retired in Settignano near Florence. "They could be bloody mean and bite to the bone if they didn't want to work. As far as I am con-

cerned, they only behaved when they were tired. Their value was their strength, particularly the males. Naturally, Christ chose a more docile female for his triumphal entry into Jerusalem on Palm Sunday."

Alfred Labhart, a Swiss journalist in Rome, finds donkeys particularly revealing of men in literature. A symptom of their long association with man, the tradition of speaking donkeys dates to the old Testament's Book of Numbers with Balaam beating an ass for refusing to budge in the desert.

"What have I done to deserve this beating, I, who served you so faithfully?" asked the ass, more or less. It was suddenly defended by the Angel of the Lord who had come to speak to Balaam privately in the desert, which is why the donkey stopped, having seen the angel before the more obtuse Balaam.

The fables of Aesop and La Fontaine have speaking donkeys. Children also know Pinocchio, who turned into a donkey for not paying attention at school — an outright insult to the animal so celebrated by the Latin writer Apuleius in "The Golden Ass."

One of the last sophisticated portrayals of the ass was Bottom, Shakespeare's erudite beast in a "A Midsummer Night's Dream." With industrialization and democracy, man seems to have become more outspoken and less in need of asses to express his inner soul.

TODAY, donkeys could be harnessed economically for tourists who prefer seeing Italy's mountainous coastlines without competing with its exuberant drivers. Until the beginning of this century, Portoghesi said, there were guidebooks with donkey itineraries and prices. One such enthusiast was Robert Louis Stevenson, who wrote "Travels With a Donkey in the Cévennes" in France.

Then there are the nutritional and cosmetic benefits of donkey's milk so appreciated by the ancients. Indeed, the Emperor Nero's beautiful wife, Poppaea, probably sat out her husband's burning of Rome (64 A. D.) in her bath of asses' milk. It was provided daily by the 500 asses she kept in her stables.

Anyone interested in meeting one of man's oldest four-footed friends is invited to Calcata (pop. 800) on Jan. 17 for the Festa di Sant'Antonio, the patron saint of animals. The donkey race is scheduled for 3 P. M.

Susan Lumsden writes about the arts in Italy.

HEAR THIS
Presidential libraries might sound like boring places to visit, but not Richard Nixon's. If you happen to be in Yorba Linda this weekend, you can get free admission (normally \$4.95) in honor of the birthdays of Elvis Presley (Friday, 58) and Nixon (Saturday, 80). Visitors can be photographed alongside lifelike cutouts of the King and the Imperial President and hear a tape of Nixon describing the singer as basically a shy guy in disguise.

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THE MOVIE GUIDE

Ohkoshi
Directed by Shinji Soma, Japan.
The director of the prize-winning 1968 "Typhoon Club" confirms his promise with this fine picture about a 10-year-old girl and her busted-up parents. In place of plot he puts the viewer in front of the child (she is in every scene) and makes her experience ours. Consequently, we do not understand things much better than she does, and at the same time we are open to all the fears and wonders of her young life. A real Kyoto girl, she attaches importance to empty adult rituals, thinks that teasing your health makes everything all right, and that a meal together means happiness. Disabused, she wanders off during a Lake Biwa festival and in the extraordinary coda of this picture ends up alone in the forest with only the giant barges, the ritual fires of the mountain, the empty shrine and the great staring moon. Soma illuminates this innocent view of the universe with controlled compositions that comment on the characters, with a subdued display of the telling symbol (the lake, rain, a stream, the water glass on the triangular family dinner table), and a perfect performance from 10-year-old Tomoko Tabata. Easily one of the best Japanese films of the year, it is also the most searching view of childhood since Oshima made his 1969 "Boy."
(Donald Richie/IHT)



Robin Williams in "Toys."

Hoffa
Directed by Danny DeVito, U.S.
In his 1960 book, "The Enemy Within," Robert F. Kennedy, soon to be the U.S. attorney general, wrote about his first face-to-face meeting with the man he had sworn to send to prison, James R. Hoffa, the powerful president of the International Brotherhood of Teamsters. Kennedy was surprised by how short the labor leader was, "only five feet five and a half." Anyone who knows anything about Hoffa's rise and fall will

be similarly surprised by how much he's grown in "Hoffa," the riveting, almost impressionistic new film biography, written with mean brilliance by David Mamet and directed in a splashy style best described as Las Vegas Empire. The film not only presents a Jimmy Hoffa with the bearded-up physical dimensions of Jack Nicholson, who gives a powerhouse of a performance, but it also effectively rearranges the hierarchy of American heroes as it's understood in the 1990s. DeVito and Mamet don't whitewash Hoffa, but they seem almost nonjudgmental about

him. By omission they appear to sanction a complicated, dubious, if colorful, character. "Hoffa" is a remarkable movie, and a vivid cinematic work, but is that enough? I think it is.
(Vincent Canby, NYT)

Toys
Directed by Barry Levinson, U.S.
"Toys" is a magnificent mess, a chaotic fantasy set in a brilliantly vivid, surreal landscape that recalls the paintings of Magritte and the pop-up illustrations in children's books. "Toys" dazzles the eye even as the mind goes numb attending to the narrative, which is about the apocalyptic battle for control of Zevo Toys, where whimsy is said to be a tradition but is more like a curse. Here is a nonmusical "Babe in Toyland" crossed with "Dr. Strangelove," a dancable "Nutcracker" that suggests "Paradise Lost," yet plays as if it were the nightmare of a child of 4. "Toys," with Donald O'Connor, Robin Williams and Joan Cusack, is supposed to be spontaneous and fun, but it has a drearily self-important message stolen from a bumper sticker: War is hazardous to the health of children and other living creatures. The confusions of "Toys" are so many that they appear intentional, as if arcane truths were to be discovered somewhere within.
(Vincent Canby/NYT)

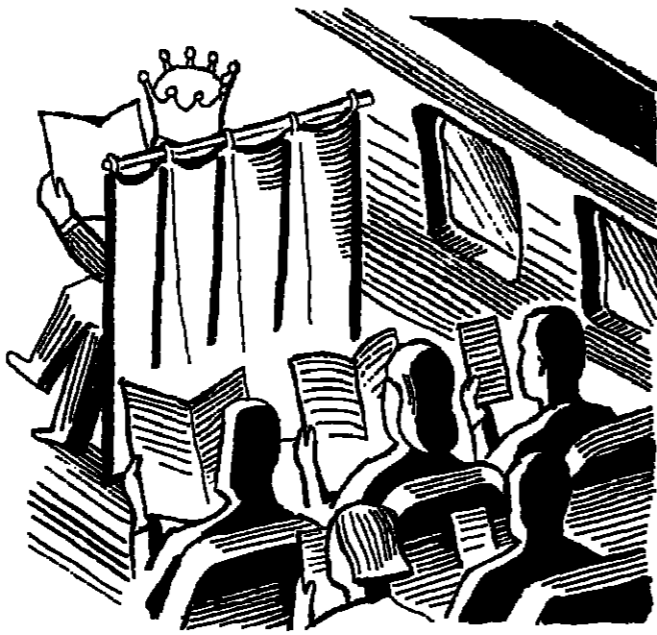
سكيا من الامم

THE ARTS GUIDE

Alternatives to the Class System

By Roger Collis
International Herald Tribune

RETURNING from London to Nice the other day with British Midland on a midweek, mid-afternoon flight and a cheap ticket I was surprised to find the first dozen or so rows filled with authentic business types. Surprised because this was single class service throughout the plane. We had a hot lunch, real cutlery and glass, and free drinks. Just like business class without the sliding curtain non-



David Sizer/IHT

cabin, fares have gone up in the front cabin, and it's not seen as good value.

"Our standards in the single cabin are infinitely higher compared with the economy behind the curtain. We give all the product that you get on BA business class—free drinks, liquors—without some of the frills. We make a point of ensuring that the business traveler goes in the front of the plane and pays a lot less."

"I am always amazed how unconscious people are about what they are paying—or at least what the company is paying. I mean, people write to me and say, 'We didn't get champagne on your flight'—the one thing we don't give. I always write back and say, that quartet bottle of champagne on BA costs you 60 quid. I hope you enjoy it."

Frequent Traveler

sense. Could it be that the business traveler has started to revolt against the outrageous fares charged by most airlines for a flexible ticket and a few frills? Have executives (or more likely company treasurers) decided that the ego is not worth the trip? Or maybe the other way round.

A business-class round-trip between London and Nice will set you back about £568 (about \$870) on Air France and British Airways (about £30 more than the fully flexible round-trip London-New York economy fare). The normal economy fare on BA and Air France—the cheapest fully flexible fare—is £420. This brings you business class service in the single cabin of British Midland and Air UK, which also operates the route (from Stansted). I was flying on BA's three-day "executive" return for £377, which saved me nearly £200 or 35 percent on so-called business class. The only condition is that you have to come back in three days or else upgrade to "executive"—i.e. economy fare.

Sitting on an aisle seat next to the emergency exit with papers spread out and decent legroom. I recalled that this was my favorite seat in the Swissair DC9, when I was working in Geneva back in the 1970s before business class had been invented. In those days—apart from a few senior executives in the luxurious and expensive first class cabin—everybody flew economy.

With many executives now downgrading to economy on short flights within Europe, perhaps the time has come for airlines to re-invent the wheel and bring back the single cabin, along with fares that allow the business traveler to sacrifice some flexibility in return for a price break. Right now, it's pay top dollar for a flexible ticket and a few frills.

A recent survey for Wagons-Lits Travel in Britain found that nearly

half of the 400 senior executives polled said that they now use cheaper flights. Says Richard Lowell, managing director of Wagons-Lits Travel in London: "While there is belt-tightening, and budgets seem to be reduced, travelers are learning to live with building business from the back of the aircraft."

Surveys by IATA and IAPA (International Airline Passengers Association) show that while there has been no significant reduction in the number of business travelers, the past year has seen a marked increase in those downgrading their class of travel due to cutbacks in travel budgets. This is reflected in a loss of 10 percent in passenger revenue for the third quarter of last year by British Airways. While BA carried more people, it earned less.

Airlines began introducing business class 12 years ago with the demise of the first-class cabin on most short-haul routes. The idea

was to reward full-fare passengers with a separate cabin, often only a curtailed-off section of economy, with the same narrow seats and legroom but more distinctive service, such as extra cabin attendants, superior meals, free champagne, priority check-in and use of lounges.

This was based on the premise that the business flier is more or less insensitive to price. So don't give frequent "high-yield" fliers price breaks. Encourage them to fly with you by offering more and better frills than competitors. On some routes the normal economy fare has disappeared—the back cabin being reserved for discount folk. This forces people who need a flexible ticket to trade up to business class.

Says Andrew Gray, managing director of Air UK in London: "No question that business class was very successful when it first came in. But it's running into trouble. They have downgraded the back

YOU don't have to be a professional cynic to realize that the advent of the EC single market on Jan. 1 is not going to bring air fares tumbling down. True, the third EC deregulation package, which also came into effect, does enable community airlines to set their own fares and to compete freely on routes between member countries. (From April 1, 1997, airlines will be free to operate domestic routes in other countries.)

"We welcome the package, wars and all, because for the first time it promises to enshrine the legal principles required for a genuinely free market," says Sir Michael Bishop, chairman of British Midland. "But anyone who believes that it heralds a golden new era for the long-suffering European air traveler is living in a fool's paradise. The struggle has only just begun."

The good news is that competition has forced SAS to cut business fares by 10 to 35 percent on its European routes (33 percent off the normal fare between Stockholm and London, for example). The condition is you must fly a round-trip with SAS and book four days in advance. But you enjoy all the benefits of full business class.

Air UK—which flies from Stansted to Brussels, Paris, Amsterdam, Düsseldorf, Frankfurt and Florence—has pitched full economy fares at around 15 to 25 percent less than other carriers, while British Midland charges around 30 percent less than business class for its three-day ticket on services from Heathrow to Paris, Brussels, Nice and Amsterdam. If he can get the slots, Bishop promises a raft of other destinations.

AUSTRALIA

Sydney Powerhouse Museum (tel: 217.0111). To Dec. 1, 1993: "The Australian Dream: Design and the Australian House of the 1950s." Modeled after a 1950s home show, more than 150 examples of architecture, interior design, furniture, lighting, woodwork and ceramic works. Survey Australian decorative arts and design of the period.

AUSTRIA

Vienna Kunsthaus (tel: 712.0495). To Jan. 31: "Expressionism." Three hundred Expressionist watercolors, drawings and paintings by artists from Die Brücke school, including works by Ludwig Kirchner, Erich Heckel and Max Pechstein.

BELGIUM

Brussels Musées Royaux d'Art et d'Histoire (tel: 741.72.11). To Jan. 30: "Jade Qing." More than 150 objects in jade from the Qin Dynasty (1644-1911).

BRITAIN

London Accademia Italiana delle Arti e delle Arti Applicate (tel: 225.3474). To Feb. 7: "Ruskin and Tuscanry." Featuring 270 works which examine the impact of the Tuscan cultural contribution to European civilization. The exhibit focuses on art and architecture in four major cities: Florence, Pisa, Siena and Lucca. To Feb. 7: "Barbican (tel: 638.8891). To Feb. 7: "Eric Gill: Sculpture." Fifty of the artist's stone sculptures, along with related drawings, engravings and photographs. To Mar. 31: "Howard Carter: Before Tutankhamun." A retrospective of the archaeologist's discoveries in Egypt, including personal diaries, excavation photographs, funerary treasures and Egyptian antiquities.

CANADA

Montreal Musée d'Art Contemporain (tel: 873.28.78). To Jan. 17: "Michele Waquet." A presentation of the latest video installation, "La débauche des glaces," by the Quebec artist. The mixed-media work incorporates photography, painting and video.

FINLAND

Tampere Tampere Hall (tel. 243.4111). To Jan. 31: "Timo Sarpaneva." An exhibition of glass works by the Finnish designer.

FRANCE

Paris Musée du Louvre (tel: 40.20.50.50). To Feb. 1: "L'art byzantin dans les collections publiques françaises." More than 400 pieces of

Byzantine art including ivory objects, imperial money, mosaics, icons, and gems dating from the 4th to the 15th century.



A Byzantine head in Paris

GERMANY

Berlin Neue Nationalgalerie (tel: 71.111). To Feb. 28: "Picasso: Die Zeit Nach Guernica: 1937-1973." More than 100 paintings and drawings from the artist's works after "Guernica."

BORN

Rheinisches Landesmuseum (tel: 72.941). To Jan. 24: "Hundert Meisterwerke Kellerscher Kunst." More than 100 Celtic treasures dating back to 400-500 B.C., including swords, utensils, armor, tableware, etc. Essen Fotografische Sammlung (tel: 888.450). To Jan. 24: "Don McCullin." A retrospective of the English photojournalist's works.

IRELAND

Dublin The Irish Museum of Modern Art (tel: 718.868). To Jan. 31: "Unspoken Truths." Works by 32 Dublin women exploring some of the unspoken truths of their lives, past and present, through art in a variety of mediums.

ISRAEL

Jerusalem The Israel Museum (tel: 708.811). To March 30: "Zeig Segal." Works by the sculptor, painter and designer, including modern designs of ritual objects, lamps, candles and Torah ornaments.

JAPAN

Setagaya Setagaya Art Museum (Tel: 3415.8011). To Jan. 24: "Setagaya Art '93." A local art festival including more than 138 nihon-ga, oils, watercolors, prints, sculptures and artworks by resident artists.

TOKYO

Ota Memorial Museum of Art (Tel: 403.0880). To Jan. 26: "Ukiyo-e Masterpieces." Features more than 150 traditional Japanese ukiyo-e works, including artists such as Sharaku, Utamaro and Hiroshige.



A Steiglitz photo in Washington and a Picasso in Berlin.

NETHERLANDS

Amsterdam Museum het Rembrandt-huis (tel: 24.94.86). To Feb. 28: "Episcopus." Seventy drawings and etchings by Jan de Bisschop, including landscapes and figure studies along with copies of paintings and drawings by the 17th century artist and his contemporaries.

Rijksmuseum Stadhouderskade (tel: 673.2121). To Feb. 14: "Fans and Fan Leaves." Fans that serve practical and not so practical purposes.

SWITZERLAND

Geneva Musée de l'Elysée (tel: 617.48.21). To Jan. 17: "Home-Paris." A survey of the private collection of Peter Herzog, focusing on the changes in technology and innovation of the mid-19th century.

UNITED STATES

Baltimore Museum of Art (tel: 396.7100). To Jan. 17: "Picture Perfect: Icons of Modernism From the Museum of Modern Art, New York." Paintings and drawings by Cezanne, Picasso, Chagall, Hopper, Pollock and other modern painters. Madison The J. Paul Getty Museum (tel: 459.7611). To Feb. 21: "The Tomb of Nefertari: Conservation of the Wall Paintings." A documentary exhibition covering the six-year effort to conserve paintings in Nefertari's tomb in the Valley of the Queens which date back more than 3,200 years. New York The Metropolitan Museum of Art (tel: 875.5500). To July 4: "Lorna Negra: A Peruvian Lord's Tomb." More than 120 pieces made in the third century by the Moche people of Peru. Featuring a broad array of funerary objects, adornments, head-dresses, masks and necklaces. San Francisco Museum of Modern Art (tel: 863.88). Dec. 17 to Feb. 7: "Four Graphic Designers." Featuring award-winning works by San Francisco-based designers Michael Cronan, Michael Marwary, Gerald Reis and Michael Vanderbyl. Washington National Gallery of Art (tel: 737.4215). To Feb. 14: "Steiglitz in the Dark." Seventy-five prints explore the art of photographic techniques as practiced by the pre-eminent American photographer.

DO'S AND DON'TS

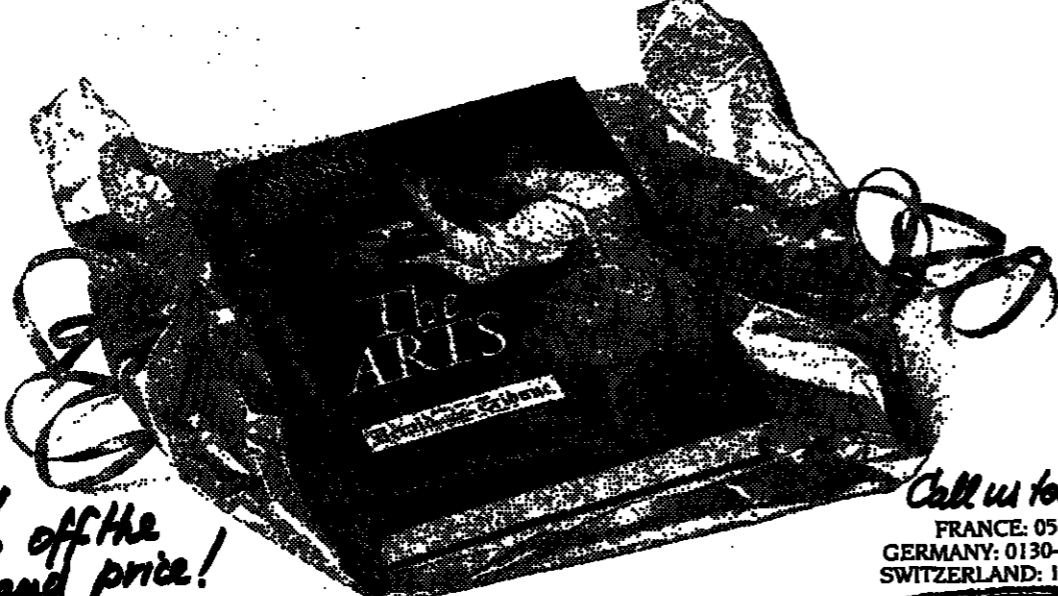
Do the Part
Do look the part. You're more likely to get a surprise upgrade to the front cabin if you dress smartly and carry a regulation attaché case.

Single Cabin
Do consider carriers with single cabin service. You can save 30 percent on a fully flexible ticket.

Shop Around
Do shop around for consolidation fares (discounted full fares).

Question Your Agent
Don't accept the first fare quoted by your agent. Ask about other carriers, other fares and other airports. What flexibility do you have to sacrifice to get a lower fare?

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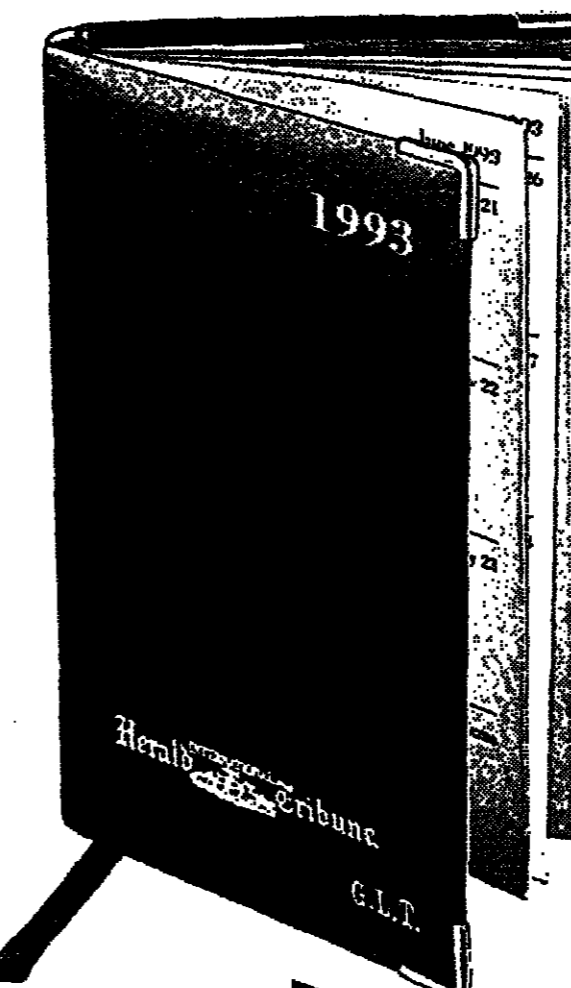
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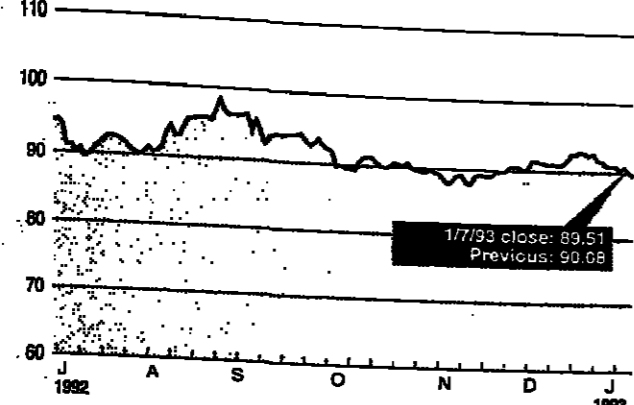
Quotas Mean Agmire

... H. Gelb ... Reagan Democrats ...



THE TRIB INDEX: 89.51

International Herald Tribune World Stock Index ...



The index tracks U.S. dollar values of stocks in Tokyo, London, and Australia...

Table with 3 columns: Asia/Pacific, Europe, N. America. Includes sub-sections for Industrial Sectors.

How British Are Japan's Big 3?

By Erik Ipsen ... LONDON — As of last month, when the first Toyota rolled off a spanking new assembly line in Derbyshire...

French Franc Rises but Punt Still Pressured

By Carl Gewirtz ... PARIS — The French franc had its best day in almost a month Thursday, rising to 3.40 per Deutsche mark...

Little Eva Airways Wants to Be One of the Big Boys

By Laurence Zuckerman ... TAIPEI — Despite cutbacks at airlines around the world, which have had combined losses of about \$9 billion in the past three years...

WALL STREET WATCH

A&W Works to Swallow A Raft of New Soft Drinks ... By Adam Bryant ... NEW YORK — After a parade of product introductions in recent months...

Japan Hopes Wedding Can Cure Recession

Agence France-Press ... TOKYO — News of the engagement of the heir to the Chrysanthemum Throne has raised hopes in Japan that a royal wedding will lead the country out of its current recession...

Herald Tribune CONFERENCES

1993 HIGH TECHNOLOGY & PROFITABILITY FOR THE 21ST CENTURY ... WASHINGTON & WORLD BUSINESS: SETTING THE NEW AGENDA ... OIL & MONEY: ASIA & THE PACIFIC ...

CURRENCY & INTEREST RATES

Table with multiple columns: Cross Rates, Eurocurrency Deposits, Key Money Rates, Forward Rates, Gold. Includes various financial data points and exchange rates.

MARKET DIARY

Stock Prices Slide On Late Sell-Off

Bloomberg Business News NEW YORK — Prices on the New York Stock Exchange tumbled in the final hour of trading Thursday, buffeted by computer-guided sell orders and surging government bond yields.

N.Y. Stocks

over-the-counter stocks and sparked a rout in blue chips. The Dow Jones industrial average closed 36.20 points lower at 3,268.96. The index fell as low as 3,260.86, after having risen as high as 3,313 at midday. Standard & Poor's 500 index plunged 3.79 to 430.73.

The high-flying Nasdaq Composite slid 3.64 to 678.21. Declining issues outpaced advances by about an 8-to-5 ratio.

Trading was unusually active, with more than 290 million shares changing hands on the Big Board.

The Dow Jones transportation average, counting the market's weakness, rose 12.49 to 480.23. Airline stocks, boosted by UAL Corp.'s plan to pare \$400 million from its 1993 budget, led the rally. Investors started dumping Standard & Poor's 500 stocks late in the day when the Dow industrials broke below 3,300, traders said. The decline accelerated when the

Dow fell below 3,280, a perceived market bottom in chart watchers' views, said Abbe Couzza, strategist in stock-index futures at Lehman Brothers.

"The reason why we had a bad day in the bond market," Mr. Couzza said, "was that a pretty good back-up in rates." Rising yields tend to make bonds more attractive relative to stocks.

Electric utilities, beverages, food, international oil and health-care stocks fell the most in the S&P 500. Semiconductor, machinery, tobacco, airline and clothing stocks gained the most.

Philip Morris rose 1/2 to 72 1/2. The stock began to rebound from a two-day slide that cut \$4 billion from the company's market value. The plunge was triggered by new reports about smoking's health dangers, fears of possible cigarette-tax increases and waning sales of the company's flagship brand, Marlboro. Caterpillar shares climbed 3/4 to 56 1/4 on expectations that the Clinton administration would spend more on construction, traders said. Shares of brokerage companies gained after Charles Schwab Corp. said its fourth-quarter earnings would surge as much as 50 percent from the same period of 1991. The gains reverse two days of losses for Wall Street shares. Brokerage stocks declined amid concerns that securities firms' earnings may decline in 1993.

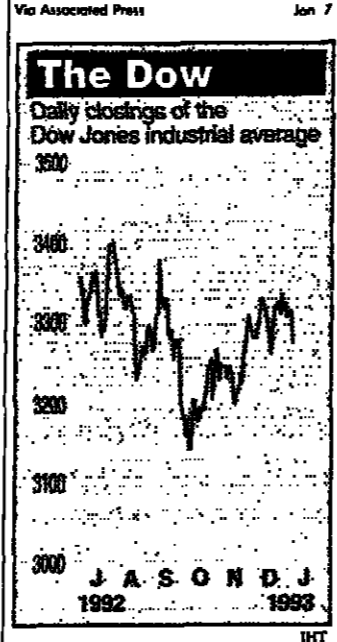


Table with columns: Vol, High, Low, Last, Chg. Lists NYSE Most Active stocks including PHILM, RHR, WMT, etc.

Table with columns: Vol, High, Low, Last, Chg. Lists NYSE Most Active stocks including JPM, C, etc.

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Table titled 'Dow Jones Averages' showing One, High, Low, Last, Chg. for Industrials, Utilities, Chemicals, etc.

Table titled 'Standard & Poor's Indexes' showing High, Low, Close, Chg. for Industrials, Utilities, Chemicals, etc.

Table titled 'NYSE Indexes' showing High, Low, Close, Chg. for Composite, Industrials, Utilities, etc.

Table titled 'NASDAQ Indexes' showing High, Low, Close, Chg. for Composite, Industrials, Utilities, etc.

Table titled 'AMEX Stock Index' showing High, Low, Close, Chg. for Industrials, Utilities, Chemicals, etc.

Table titled 'Dow Jones Bond Averages' showing Close, Chg. for 30 Bonds, 10 Utilities, 10 Industrials.

Table titled 'Market Sales' showing NYSE 4 a.m. volume, NYSE 9 a.m. volume, etc.

Table titled 'N.Y.S.E. Odd-Lot Trading' showing Buy, Sell, Short for various stocks.

Table titled 'NYSE Diary' showing Advanced, Declined, Unchanged, Total Issues, New Issues, New Lists.

Table titled 'Amex Diary' showing Advanced, Declined, Unchanged, Total Issues, New Issues, New Lists.

Table titled 'NASDAQ Diary' showing Advanced, Declined, Unchanged, Total Issues, New Issues, New Lists.

Table titled 'EUROPEAN FUTURES' showing Close, High, Low, Prev. Close for SUGAR (ICE), etc.

Table titled 'Food' showing SUGAR (ICE), COFFEE (ICE), etc.

Table titled 'Metals' showing ALUMINUM (LME), COPPER (LME), etc.

Table titled 'Stock Indexes' showing NYSE (LIFFE), NASDAQ (LIFFE), etc.

Table titled 'Spot Commodities' showing Crude Oil, Wheat, etc.

Table titled 'Dividends' showing Company, Dividend, Yield, etc.

Table titled 'Financial' showing 3-MONTH STERLING (LIFFE), etc.

Table titled 'Financial' showing 3-MONTH EURO (LIFFE), etc.

Table titled 'Financial' showing LONG GILT (LIFFE), etc.

Table titled 'Financial' showing 3-MONTH EURO (LIFFE), etc.

Table titled 'Financial' showing LONG GILT (LIFFE), etc.

Table titled 'GERMAN GOVERNMENT BOND (LIFFE)' showing Bid, Ask, Prev. Close, etc.

Table titled 'Industrials' showing High, Low, Last, Chg. for various companies.

Table titled 'GASOLIN (IFPE)' showing U.S. dollars per metric ton, etc.

Table titled 'BRENT CRUDE OIL (IFPE)' showing U.S. dollars per barrel, etc.

Table titled 'Stock Indexes' showing NYSE (LIFFE), NASDAQ (LIFFE), etc.

Table titled 'Spot Commodities' showing Crude Oil, Wheat, etc.

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Table titled 'Financial' showing LONG GILT (LIFFE), etc.

Table titled 'Financial' showing 3-MONTH EURO (LIFFE), etc.

FRANC: Help From Germany

(Continued from first finance page)

cent, appeared to be a last-ditch attempt to avoid that.

But many traders now believe it is only a matter of time before the

Foreign Exchange

punt becomes the latest victim of the turmoil in the currency grid, which last September forced the British pound and Italian lira out of the system. Many traders believe the punt must be devalued because Ireland's economy is so closely linked with Britain's.

"The Irish pound is almost a lost

cause," said Jim O'Neill, chief international economist at Swiss Bank Corp. in London. "Nobody wants it."

Dollar Ends Firmer

The dollar ended the day higher in New York, bolstered by the Bundesbank's interest-rate cut, Reuters reported.

It rose to 6380 Deutsche marks from 1.6350 DM at the close on Wednesday; to 125.215 yen from 125.155; to 1.4950 Swiss francs from 1.4885; and to 5.5670 French francs from 5.5665.

The pound eased to \$1.5310 from \$1.5423.

With Investors Aplenty, Bond Issuers Go on a Spree

Compiled by Our Staff From Dispatches

NEW YORK — Corporate issuers sold about \$3.5 billion of bonds in the U.S. market on Thursday, bringing the total so far this week to \$9.5 billion, feeding investors hungry for fixed-income securities.

The Eurobond market is also on route to a \$10 billion week. Issuers are meeting demand from mutual funds, which had large inflows of cash late last year, and from an estimated \$270 billion of bond redemptions scheduled for this year, according to data from IBI International.

Another source of funds is from central banks, which have been draining their currency reserves to prop up European currencies under attack by speculators who are betting the exchange-rate mechanism of the European Monetary System will unravel.

In the U.S. market, companies were taking advantage of low interest rates to tap investors. "If you look at 30-year rates, they're low in comparison to what we've seen in the past 20 years," said Paul Siegelbaum, senior manager at the World Bank.

The World Bank was among notable issuers, with \$1.25 billion of 30-year bonds sold globally at a yield of 7.39 percent, 28 basis points above comparable U.S. Treasury returns. It was the longest maturity ever offered by the World Bank.

Time Warner Inc. paid 9.125 percent to borrow \$1 billion for 30 years. Unlike the triple-A rated World Bank, Time's debentures were on the cusp of the junk-bond market, garnering a minimal investment-grade rating from Standard & Poor's. BBB-minus.

(Bloomberg, Reuters)

WORLD STOCK MARKETS

Table of World Stock Markets showing various indices like Amsterdam, Brussels, Frankfurt, London, Milan, Madrid, Singapore, Stockholm, Toronto, Zurich, etc.

U.S. FUTURES

Table of U.S. Futures showing Grains (Wheat, Corn, Soybean), Metals (Silver, Gold), Livestock (Cattle, Hogs), and Financial (US T-Bills, Treasury Bonds, etc.).

U.S. / AT THE CLOSE

Table of U.S. Market Indices showing NYSE, NASDAQ, S&P 500, etc., along with various commodity and futures prices.

U.S. Jobless Claims Plunge

NEW YORK (LHT) — A sudden dip in new claims for unemployment benefits was reported Thursday but failed to deflect attention from long-term policy worries about American jobs or shed much light on the path of the recovery.

The Labor Department reported that during the week ended with Christmas, new jobless claims dropped 40,000 to 291,000, the lowest since April 1989. The figures have been dropping steadily since the recent high of almost 450,000 recorded last summer, but William Sullivan, economist with Dean Witter Reynolds, warned that "that we are dealing with a bank of distorted data that's extremely difficult to interpret."

More attention was focused on the monthly employment figures for December, which will be published Friday on the basis of surveys conducted the week of Dec. 12. Economists look for no change in the unemployment rate and for the creation of 50,000 to 75,000 new jobs. That would be a "respectable figure," said Cynthia Latto of DRI/McGraw Hill, because it would be net of 45,000 temporary job-waiters who were hired for the November elections and discharged last month.

But she noted the economy still had a long way to go to restore almost 1.7 million jobs it lost since the recession began in June 1990. These mainly were 1.1 million jobs in manufacturing and 600,000 in construction. Job creation otherwise has come almost entirely from health care, with some from hiring of new teachers.

Retail Sales Strong in December

WASHINGTON (UPI) — Many of the leading U.S. retailers reported Thursday that they got what they wanted for Christmas: shoppers crowding their stores and strong December sales.

Wal-Mart Stores Inc., the largest U.S. retailer, posted a 27 percent jump in December sales. Sears Merchandise Group, the second-largest, had a 9 percent gain for the month.

Kmart Corp., the third-largest retailer, reported a 9.1 percent rise in its December sales.

"I think it was a good Christmas," said Philip Abbenhaus, retail analyst at A.G. Edwards and Sons Inc. in St. Louis. "Retailers were helped quite a bit by the two extra days during the season."

The Christmas shopping season, which begins the day after Thanksgiving and runs through Christmas, is a critical period for retailers who rely on the season for 60 percent of their yearly sales.

AT&T Signals Accord with Unitel

TORONTO (Bloomberg) — American Telephone & Telegraph Co., in a move to counter its rival, MCI Communications Corp.'s presence in Canada, said Thursday it had bought a 20 percent stake in Unitel Communications Inc. for 150 million Canadian dollars (\$117 million).

Under the agreement, expected to close Jan. 29, Unitel will use AT&T software, switching and transmission equipment in its network. AT&T will get two seats on Unitel's nine-member board.

The alliance is expected to heat up competition in the Canadian telecommunications market and make Unitel a stronger player in that market, and pits AT&T against MCI in the Canadian long-distance telephone market. MCI has an agreement with Stentor, the network owned by Bell Canada.

For the Record

Cray Research Inc., the world leader in supercomputers, predicted a fourth-quarter and full-year loss because a customer had postponed acquisition of a \$32 million supercomputer until Jan. 2.

General Motors Corp.'s Saturn division will break even in 1993 and will be profitable in 1994, the division's president, Richard G. LeFavre, said Thursday.

Transportation Secretary-designate Federico F. Pena told the Senate on Thursday that re-regulation of U.S. airlines was "not on my radar" but called for a new look at the industry's financial woes.

Schering-Plough Corp. and Celltech Group PLC said they would jointly develop drugs blocking the activities of certain proteins that play a role in inflammatory diseases and immune-system disorders.

NYSE

Will Lilley Picture Be Copied? More Failures Feared Among U.K. Builders

Compiled by Our Staff From Dispatches

LONDON — British construction analysts said Thursday that the industry was likely to see other companies go the way of Lilley PLC, which called in receivers late Wednesday after failing to convince all of its banks to accept a restructuring program.

Banks that have been reluctant to foreclose on heavily indebted companies while their assets are at rock-bottom value will change their minds as signs emerge that the sector's worst recession since the 1930s is ending, analysts said.

As the sector improves, banks could see opportunities to liquidate the assets of weak companies at attractive prices.

"There's a lot more to come," said Howard Proctor of Panmure Gordon & Co. "It will happen when we think we're out of the woods."

Price Waterhouse, the accounting firm, said Thursday that it was appointed a receiver of Lilley and

most of its operating subsidiaries. In British receivership, a person is appointed to take over the property of a debtor and use income from it to pay off creditors. If the debts can be satisfied, including through the sale of assets, the remaining property is returned to the company.

Last month, A.F. Budge Ltd. went into receivership in similar circumstances. "There are other companies in as fine a mess as they were," said Kevin Cammack of Smith New Court Securities. "The acid test is going to be how secure are your funding arrangements."

Builders have been scurrying to sell off burdensome properties to bolster their positions, even if it means booking losses.

This week, for example, George Wimpey PLC said it would make an £11 million (\$16.9 million) provision against losses in connection with the sale of a shopping center near Liverpool for £20 million.

Wimpey warned of "substantial

provisions" in its 1992 results. Analysts pegged them at about £120 million, mainly against housing land and commercial property.

Tarmac PLC also is committed to selling property; analysts estimated it would set aside £150 million.

In Lilley's case, managers had put together a restructuring program but were unable to get all the bank creditors to agree to it. Lilley said its largest shareholder, Tiber Ties SA of Spain, and its three largest institutional investors supported the restructuring.

The program involved Lilley selling £12.5 million in new equity and the "elimination" of its exposure to real estate development and property joint ventures. It also planned to sell its homebuilding and plant-hire businesses, as well as its American trading operations. The program would have been rounded off with a partial debt to equity conversion by the banks. (Reuters, Bloomberg)

Hagen Resigns From Board Of Nedlloyd

Compiled by Our Staff From Dispatches

OSLO — The supervisory board of Royal Nedlloyd Groep NV accepted the resignation of the Norwegian entrepreneur Torstein Hagen from the board on Thursday, industry sources said.

The sources said Mr. Hagen, chairman of Det Norske Olyeselsk, had submitted his resignation Wednesday. They said his stake in Nedlloyd had fallen below a point set as a condition for his remaining on the board.

DNO said it sold 5 percent of its stake at 34.40 guilders (\$18.75) per share. DNO had about 11 percent of Nedlloyd's shares and 10 percent in futures and options contracts.

Mr. Hagen has been a persistent critic of the marine-transportation company's management. (AFP, Bloomberg)

BCCI Creditors Appeal Plan for Compensation

Reuters

LUXEMBOURG — Three creditors of the failed Bank of Credit & Commerce International SA have appealed a creditors compensation plan, which could delay first payments by up to one year.

Representatives of BCCI liquidators said the appeal was filed Dec. 24 on behalf of Adil Elias, Assilios Araki of Greece and Hal Skolnick, an American citizen living in London.

Luxembourg's district court cleared the compensation plan, backed by Abu Dhabi, BCCI's majority shareholder, in October. Some creditors say the compensation is too little.

The plan comprises an initial \$1.7 billion cash injection by Abu Dhabi to meet creditors' claims. Georges Ravarani, a liquidator of BCCI Holdings, the holding company for BCCI SA, said, "The delay could be as little as six months but I think that is unrealistic. I think a year is more reasonable."

Mr. Elias is a member of the BCCI creditors committee in Britain and Luxembourg and heads the BCCI depositors' protection association, which groups BCCI's larger depositors.

The appeal was made in the hope that separate U.S. proceedings relating to BCCI may yield higher compensation.

Investor's Europe

Frankfurt DAX	London FTSE 100 Index	Paris CAC 40
1850	2650	2050
1750	2750	1950
1650	2850	1850
1550	2950	1750
1450	3050	1650
1350	3150	1550
1250	3250	1450
1150	3350	1350
1050	3450	1250
950	3550	1150
850	3650	1050
750	3750	950
650	3850	850
550	3950	750
450	4050	650
350	4150	550
250	4250	450
150	4350	350
50	4450	250
0	4550	150

Exchange	Index	Thursday Close	Prev. Close	% Change
Amsterdam	CBS Trend	87.89	87.40	+0.21
Brussels	Stock Index	5,587.19	5,589.84	-0.05
Frankfurt	DAX	1,542.50	1,556.38	-0.89
Frankfurt	FAZ	606.86	608.55	-0.28
Helsinki	HEX	918.11	887.30	+3.59
London	Financial Times 30	2,193.30	2,194.50	-0.07
London	FTSE 100	2,816.50	2,826.00	-0.34
Madrid	General Index	220.12	220.53	-0.19
Milan	MIB	1,008.00	1,007.00	+0.10
Paris	CAC 40	1,844.47	1,859.63	-0.82
Stockholm	Affarsveeriden	1,082.05	1,096.90	-1.33
Vienna	Stock Index	342.29	341.74	+0.16
Zurich	SBS	687.50	686.40	+0.16

Sources: Reuters, AFP
International Herald Tribune

Daimler Shares Drop on Lower Profit Forecast

Reuters

FRANKFURT — Shares in the German industrial group Daimler-Benz AG came under pressure on the Frankfurt bourse Thursday after the James Capel & Co. brokerage house lowered its forecast for earnings in 1993.

Daimler closed at 536.50 Deutsche marks (\$328), down 8 DM, or 1.5 percent.

Analysts at Capel in London said they were forecasting Daimler earnings per share of 20 DM in 1993, down from an earlier estimate of 32 DM. They said they expected a cut in the dividend next year to 10 DM, from 13 DM in both 1991 and 1992.

Bob Barber at Capel said the brokerage was holding to its forecast of 40 DM per share for Daimler in 1992. He said the revision for next year was based on a forecast sharp downturn in earnings from the truck sector and a further deterioration in profit from car manufacturing.

DSM Seeks to Reduce Staff by 1,000

Compiled by Our Staff From Dispatches

HEERLEN, Netherlands — DSM NV said Thursday that deteriorating economic conditions would force the Dutch chemicals company to cut 1,000 positions from its 24,000 staff, although it would try to avoid forced layoffs.

A spokesman said most of the layoffs would come from the company's home province of Limburg. DSM told its workers every effort would be made to avoid forced layoffs, but this could not be guaranteed, unless unions agreed to

broaden existing early retirement and outplacement programs. The company discussed the plan with unions on Wednesday and proposed making greater use of employment contract clauses to allow workers to be transferred and retrained. DSM is also proposing introducing early retirement for all staff.

The DSM chairman, Hans van Lierst, said last month in a letter to personnel the company would have to improve effectiveness and efficiency due to increased competition in the chemicals industry.

DSM earned 53 million guilders (\$28.8 million) down from 117 million a year earlier. Mr. van Lierst said last month that profit also fell in the fourth quarter, extending a three-year decline.

Denis Ancion, a DSM spokesman, said the company cut 1,300 jobs in 1992.

In Amsterdam stock trading, DSM's shares fell half a guilder, to 75.60 guilders.

DSM is expected to present its job-cutting proposals to its unionized workers on Jan. 15. (Bloomberg, Reuters, AFP)

RATES: Bundesbank, Apparently With an Eye on Europe, Eases a Bit

(Continued from page 1)

ing against the Irish franc, which along with the franc has been targeted by speculators betting the currencies will fall. In late London trading, the punt was worth 2.9490 guilders, below its floor of 2.9510, despite the Dutch rate cut and a rise in Irish overnight rates to 100 percent.

The French franc did better. The Deutsche mark fell to 3.4055 francs from 3.4065 on Wednesday. The dollar also gained against the German currency, rising to 1.6343 DM from 1.6340.

The French Finance Ministry welcomed the Bundesbank move as "an important step toward lower interest rates" and "a sign of good cooperation between France and Germany."

Sources close to the Bundesbank's board said the interest-rate decision was a compromise de-

signed to meet members' desires to help the French franc, which has been the subject of intense speculative selling, without sending a message that it was ready to declare its war against German inflation won.

"It looks like this was a hard-fought compromise between the hawks and the more pragmatic elements of the council," said Ulrich Beckmann, senior economist at Deutsche Bank, which had publicly urged the central bank to lower rates.

"The hawks didn't want to give up anything," he told Reuters. "It is only a small step, but more importantly, this represents a breakthrough to lower rates in the months to come."

Heidemarie Sherman, a senior economist at the Ifo economics research institute in Munich, said the Bundesbank's action showed it still

put German factors first when deciding whether to cut rates.

On the other hand, the Bundesbank appears increasingly worried about continuing pressure on France to devalue the franc, other analysts said.

"The mark-franc link is the core of the European exchange-rate mechanism," said Wim Boonstra, head of international economics research at Rabobank Nederland in Utrecht. "If the franc were forced to quit the mechanism, that would be the end of the entire system."

The exchange-rate mechanism of the European Monetary System links member currencies but allows them to fluctuate against one another within fairly narrow bands.

Mr. Boonstra said there would be pressure on the franc until French elections in March no matter what the Bundesbank does.

Per Kaalby, manager of foreign

exchange, at Bayerische Vereinsbank in Munich, agreed. "Unless others make some political moves to bind the mechanism back together again," he said, "the currency market pressures are not going to go away."

"Based on the fundamentals, France shouldn't devalue the franc but the market insecurity is there, and that's enough to keep pressure on the franc painful."

Many German economists, industrialists and union leaders have vented irritation at the Bundesbank's high interest rates, which make it costly to borrow money and therefore tend to brake economic growth.

But the weakness of the German economy is thought to play a minor role in the bank's changes. The central bank's primary mission is to combat inflation.

Burton Group Plans to Cut 2,000 Jobs

Compiled by Our Staff From Dispatches

LONDON — The clothing retailer Burton Group PLC said Thursday that it would cut almost 2,000 jobs in a far-reaching program of organizational and management changes.

The changes are aimed at improving efficiency, the company said. Burton estimated the costs of the reorganization at £10 million to £15 million (\$15 million to \$22.5 million).

Burton said it would shed 933 jobs at its headquarters and 1,000 jobs at stores bearing the Burton, Debenhams, Dorothy Perkins and Principles names. But it said it planned to create up to 3,000 part-time sales positions.

It said the move followed a six-month review. In the

year ended Aug. 29, 1992, Burton employed 35,964 people of which 17,873 were part-timers.

Tony Cooper, an analyst at Carr Kitch & Aitken, said Burton had to pare costs because its payroll accounted for 18 percent of sales.

"You can't have that kind of over-inflated cost base when the market is in recession," he said.

Burton said the restructuring would eliminate unnecessary bureaucracy, standardize working methods to gain economies of scale and increase departmental savings.

As part of the restructuring, Burton has appointed Graham White as operations director, succeeding Geoff Powell who has resigned from the group. (Reuters, Bloomberg, AFP)

REPUBLIC OF LEBANON Rehabilitation, Extension and Generalization of the Telecommunication Sector PRE-QUALIFICATION OF CONTRACTORS

In order to implement the Government policy to fulfill Lebanon's needs in various public utility services, including the rehabilitation, extension and generalization of the telecommunication sector,

And aiming to undertake the necessary measures to reach a minimum service density of 35% in telecommunications, which would be in accordance with the standards of the new century,

And as the data accumulated in the Ministry of Post and Telecommunications (MPT), and incorporated in the National Emergency Reconstruction Program (NERP), indicates the necessity to provide a minimum capacity of 1.5 million subscriber lines; the MPT intends to meet these needs as follows:

- 500,000 subscriber lines through rehabilitation and modernization of the existing network.
- 500,000 new subscriber lines through extension of the existing network.
- 500,000 lines through implementation of a new cellular network.

The Government has initiated separate measures to implement the cellular network; consequently the MPT and the Council for Development and Reconstruction (CDR) announce the intention to achieve a million lines service through the rehabilitation and extension of the present network as indicated in the following program:

- a- Construction of about 650,000 local network lines, construction and equipping of new electronic exchanges to a capacity of 500,000 lines, throughout Lebanon.
- b- Replacement of the old electro-mechanical exchanges (16 exchanges) by new and modern electronic equipment to a capacity of 178,000 lines, including the implementation of the integrated services digital network (ISDN).
- c- Construction of network with fibre optic cables and digital micro-wave links of different capacities to secure communications between various exchanges.
- d- Enhancement of international communications between Lebanon and the world through the construction of two modern IDR earth stations.
- e- Provision of power supply equipment for the exchanges, including the batteries, generating units and the protection systems.
- f- Replacement of the old telex exchange equipment with new and modern electronic equipment (4000 lines).
- g- Rehabilitation of the existing electronic exchanges and their auxiliaries (MT25 and E10B), development of their operation programs to be compatible with CCITT No. 7, and introduction of ISDN facilities.
- h- Rehabilitation of the micro-wave telecommunication network and replacement of the obsolete parts.
- i- Rehabilitation of the local network telephone to a capacity of 400,000 lines throughout Lebanon.
- j- Rehabilitation of the power supply stations, including the replacement of batteries, where needed, and rehabilitation of primary power generation units.

All the projects mentioned above will be executed under the supervision of engineers and consultants appointed by MPT and CDR.

International specialized companies will be appointed to support the ministry for better performance in project management, operation and maintenance.

Therefore, the contractors capable of executing such projects of rehabilitation and modernization are invited to apply for pre-qualification.

Reasons for not pre-qualifying any firm or consortium need not be given, and no costs incurred in the pre-qualification will be reimbursed. Invitations for bidding will only be sent to firms or consortia which are pre-qualified.

The MPT and CDR invite contracting firms and consortia interested in bidding to obtain pre-qualification documents starting January 11, 1993 from the:

Council for Development and Reconstruction (CDR)
Tallet El-Seray
Beirut - Lebanon

Pre-qualification bids with all supporting material shall be submitted at CDR offices no later than February 26, 1993 at noon.

NYSE Thursday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

(Continued)

12 Month High	Low	Stock	Div	Yld	PE	100	High	Low	Label	Chg
125.00	120.00	IBM	3.00	2.40	12.5	100	125.00	120.00	IBM	+0.50
100.00	95.00	Microsoft	0.00	0.00	15.0	100	100.00	95.00	Microsoft	+1.00
80.00	75.00	Oracle	0.00	0.00	18.0	100	80.00	75.00	Oracle	+0.75
60.00	55.00	Intel	0.00	0.00	20.0	100	60.00	55.00	Intel	+0.50
40.00	35.00	Motorola	0.50	1.25	10.0	100	40.00	35.00	Motorola	+0.25
20.00	15.00	Apple	0.00	0.00	12.0	100	20.00	15.00	Apple	+0.50
10.00	8.00	Comcast	0.00	0.00	10.0	100	10.00	8.00	Comcast	+0.20
5.00	4.00	Verizon	0.00	0.00	8.0	100	5.00	4.00	Verizon	+0.10
2.00	1.50	AT&T	0.00	0.00	6.0	100	2.00	1.50	AT&T	+0.05

CARS: Role of Japanese Manufacturers in Britain Still a Subject of Debate

(Continued from first finance page) for some Fords and Vauxhalls. Nissan, which began setting up production in Britain when plans for the single market were already well advanced, has purposely thrown its procurement net deeper into the Community. Fully half of its locally supplied components come from outside Britain. What is more, it has begun purchasing such components as windshields and tires in Europe for its plants in Japan.

All this stands in marked contrast to the performance of the Japanese in the United States a decade earlier. There, they not only relied far more heavily on imported components from Japan, but they in-

creased their auto output at a far higher rate. The Japanese, however, are not the only ones who have cleaned up their act since their invasion of the American market. Britain's car-makers insist that the American experience has taught them lessons as well. "We have learned a great deal from the U.S.," said Vauxhall's Mr. Batchelor, pointing out that productivity at Vauxhall's big plant in Luton had been increased by 60 percent in the last four years alone. "We can compete."

But it will not be easy. With brand new plants, most built with the aid of huge development grants from government bodies eager to boost local economies, the produc-

tivity levels for Nissan, Honda and Toyota are dauntingly high. Mike Smith, head of the automobile consulting arm of DRI/McGraw Hill in London, said that Nissan could assemble its new mid-sized Primera model in just 12.5 hours, less than half the average for European manufacturers. In fact, Nissan itself reckons its Primera production line in Britain is more efficient than similar lines in Japan.

If the Japanese concentrated their sales efforts on Britain, there is no doubt that the results would be catastrophic for the established manufacturers. With an overall market share in Europe of 11 percent, however, there are plenty of

green pastures for the Japanese elsewhere. "We have said we will export 70 percent of our production," said Stuart Dyble, spokesman for Toyota Motor Corp. "So from a British perspective, this will be added production, not substituting for existing production."

With more than three-quarters of Japan's European-based car-making capacity now sited on British soil, Japan's gains in market share on the Continent will almost surely prove to be a major boon to Britain's balance of payments in future years. "There is no doubt that British exports will increase substantially," said DRI's Mr. Smith.

NASDAQ

Thursday's Prices
NASDAQ prices as of 4 p.m. New York time. This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

12 Month High	12 Month Low	Stock	Div	Yld	PE	52	High	Low	Latest	Chg
44	14	A								
40	12	B								
36	11	C								
34	10	D								
32	9	E								
30	8	F								
28	7	G								
26	6	H								
24	5	I								
22	4	J								
20	3	K								
18	2	L								
16	1	M								
14	0	N								
12	0	O								
10	0	P								
8	0	Q								
6	0	R								
4	0	S								
2	0	T								
0	0	U								

12 Month High	12 Month Low	Stock	Div	Yld	PE	52	High	Low	Latest	Chg
12	4	V								
11	3	W								
10	2	X								
9	1	Y								
8	0	Z								
7	0	AA								
6	0	AB								
5	0	AC								
4	0	AD								
3	0	AE								
2	0	AF								
1	0	AG								
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0	0	GQ								
0	0	GR								
0	0	GS								

No Rescue Planned For Taiwan Bourse

TAIPEI — Taiwan's financial authorities are powerless to pull the stock market out of its slump and have no plans for new government rescue measures, Finance Minister Pai Pei-yung was quoted as saying on Thursday.

Wellington Shores Up Currency

WELLINGTON — The New Zealand dollar rebounded Thursday in response to a credit tightening by the central bank, but manufacturers said the rise in interest rates was threatening a fragile export-led recovery.

told the semi-official agency CNA. "The Finance Ministry feels it is powerless, and it has no rescue plan," he said.

Fears of political instability have sent the market tumbling 14 percent since Dec. 19, when the governing Nationalist Party suffered a major setback in parliamentary elections.

The weighted index slid 52.88 points to a 26-month low of 3,135.56 on Thursday. Many brokers expect it to continue falling to 3,000 or below.

"Sentiment was so bearish that even medium- and long-term investors were selling their holdings," said Albert Lin of Golden Securities.

The Finance Ministry intervened with a rescue plan for the market late last year after a series of stock payment defaults totaling 9 billion Taiwan dollars (\$530 million) sent share prices tumbling in September.

The Reserve Bank of New Zealand deputy governor, Peter Nicholl, said he was encouraged by the currency's gain after the central bank forced market rates up Wednesday.

The local dollar rose above the key level of 53 on its trade-weighted index, closing at 53.2 from 52.48 Wednesday.

The rise in money market rates had a broader effect Thursday as Bank of New Zealand raised its base rate to 11.85 percent from 10.25 percent, heralding a round of bank rate increases after two years of falling rates.

But manufacturers criticized the tightening as a threat to the recovery. The head of the Manufacturers Federation, Rowland Crane, said his group believed "the old linkages between a fall in the exchange rate and inflation are broken."

Hong Kong Property Likely Victim of Dispute

HONG KONG — The war of words between China and Britain over increased democracy for Hong Kong will hurt real estate prices in the colony this year, analysts say.

Residential values, which soared by up to 60 percent in 1991 and another 25 percent in the first half of last year, could drop by as much as 15 percent in 1993, one property company said.

"Most of the drop will be in the first half of the year," said Shih Wing-ching, director of the real estate firm Centaline, "and I think it will take about 18 months for prices to go up again. They've gone up too fast in the past two years."

The dispute over Governor Chris Patten's plans for more democracy in the colony, which reverts to China in 1997, shows no signs of easing. Beijing on Thursday repeated its demand that Mr. Patten abandon his proposals, which are to go to the Legislative Council next month.

Apart from the China factor, the way housing prices have soared in the past two years and changes in mortgage arrangements — which mean buyers cannot borrow as much as previously — have put property beyond the reach of many potential buyers.

Other analysts were not as pessimistic as Mr. Shih, but they still expected residential prices to fall in the first half before picking up toward the end of the year.

"The China-Britain row is hitting confidence, but I think the row will subside in the second half," Desmond Cheung, PBI Securities.

The row will subside in the second half of the year," he said. He thought residential prices would fall by 10 percent in the first half of the year but then pick up 10 percent in the second half as the dispute between Beijing and London subsides.

Brooke Hillier Parker, a surveyor and property consultant, said the property market was likely to consolidate this year. But the

firm was generally optimistic about the coming 12 months.

"Our overall message is that the market is in good health," said Nicholas Brooke, senior partner. "The level of transaction activity is down, but down from an abnormal level."

"The residential market in 1991 was very abnormal. What we are seeing now is a return to a much more balanced and healthy situation," he said. "But we're fairly bullish, although the growth we're going to see over the next year will be rather more controlled than in the past two years."

A company review of the 1992 market released on Thursday said any analysis of the Hong Kong market must take into account the China factor, as links between the British colony and China increase in the run-up to 1997. It said it expected China to be the dominant player in the Hong Kong property market this year and did not see the dispute with Britain preventing China concerns from snapping up real estate in the colony.

Brooke Hillier Parker said it thought the office sector would strengthen in 1993, with values up about 15 percent, and expected prices in the industrial sector to gain 10 percent.

Investor's Asia

Table with columns for Hong Kong (Hang Seng), Singapore (Straits Times), and Tokyo (Nikkei 225). Includes line graphs showing index trends and a table of exchange rates for various Asian markets.

Very briefly:

- Pioneer Electronic Corp., in connection with Sega Enterprises Ltd. and NEC Corp., unveiled its interactive laser-disk player, and Matsushita Electric Industrial Co. working with Philips NV of the Netherlands, introduced a portable version of its digital compact cassette player. But analysts were skeptical that the products would shake Japan's ailing consumer-electronics industry out of its stupor.

Hanoi and World Bank In Privatization Talks

HANOI — Vietnam has begun talks with the World Bank on a structural-adjustment program that includes privatizing state-owned enterprises, Finance Minister Ho Te said Thursday.

The United States, a major shareholder of the World Bank and International Monetary Fund, has previously blocked lending from those institutions as part of its economic embargo against Vietnam. But political analysts say President George Bush may announce a change in policy before his term ends on Jan. 20 in response to Hanoi's increased cooperation in resolving the fate of U.S. servicemen missing in the Vietnam War.

Koreas Reach Garlic Accord

SEOUL — The Korean craving for garlic has pierced one of the world's last Cold War barriers.

Communist North Korea and capitalist South Korea agreed, in a rare case of direct trade, on a barter deal involving 5,000 tons of garlic. South Korea will swap garlic and onions for buckwheat and beans.

Malaysia and Thailand Back 'Growth Triangle'

KUALA LUMPUR — Malaysia and Thailand agreed Thursday to work toward a new "growth triangle" along with Indonesia to bolster trade ties in Southeast Asia.

Prime Minister Mahathir bin Mohamad, in a meeting with Prime Minister Chuan Leekpai of Thailand, raised the idea of a "Northern Triangle" straddling the Malacca Straits, Mr. Abdullah said.

Malaysia and Thailand Back 'Growth Triangle'

Malaysia has named former Finance Minister Daim Zainuddin as its representative with ministerial status to talks on forming the triangle, first suggested by Malaysia in 1991.

Mr. Abdullah said Thailand had agreed to take steps to overcome the problem of illegal Thai workers in Malaysia, now totaling about 14,000.

ADVERTISMENT INTERNATIONAL FUNDS

Large table listing various international funds with columns for fund names, asset values, and performance metrics. Includes sections for 'INTERNATIONAL FUNDS', 'OTHER FUNDS', and 'CREDIT COMMERCIAL DE FRANCE'.

SPORTS FOOTBALL

The Long Road to 'Citizenship'

By Richard Sandomir
New York Times Service

Free agency has been a goal for athletes seeking to sell themselves in an open market, but it has been a loathsome notion to owners profoundly reluctant to surrender their historic power to control players.

"Free agency is citizenship, that's all," said Gene Orza, general counsel of the Major League Baseball Players Association. "The principal effect of free agency is to create a semblance of a market, but it's not like a real market, because there are all sorts of restrictions."

The legal war between the National Football League's owners and players, which was resolved as part of Wednesday's labor settlement, created a free-agency system for players with five years' experience in the league. It gives teams the right to protect a so-called "franchise player" and create a salary cap, a limit on the amount teams will spend.

Nobody expected the NFL to accept unfettered free agency, not after years of mutual suspicion between owners and players. And the Freeman McNeil case, in which the owners' system of free agency—known as Plan B—was found to violate federal antitrust laws, wasn't the first time that football players sued for free agency.

In 1972, the players won a major antitrust decision in the John Mackey case. It over-

turned a league concept known as the Rozelle Rule, which compelled teams who signed free agents to surrender players to the former team as compensation. But that gain by the players was surrendered in a collective bargaining agreement.

Fifteen years later, a former New York Jet, Marvin Powell, and eight other members of the players' union, sued over the right of the first-refusal system, which permitted teams to refuse a player's contract terms and offer a new deal at a predetermined minimum salary. The suit also attacked the compensation system that required a club signing a free agent to compensate the player's old team with draft choices.

The players lost the suit when an appellate court ruled that individual players could not sue the NFL for antitrust violations. The National Football League Players Association decertified itself as a union, allowing an attack of the league on antitrust grounds. While the Powell suit was in court, the NFL imposed its Plan B system, which allowed teams to protect 37 players and let the rest seek free agency. The McNeil lawsuit claimed that Plan B violated antitrust laws and restricted players from seeking fair wages in an open market.

The route to free agency in baseball probably began with the hiring of Marvin Miller in 1966 as executive director of the players association.

The first challenge to baseball's reserve clause, which tied players to their clubs in perpetuity, came with Curt Flood's antitrust lawsuit, which was prompted when he was traded by St. Louis to Philadelphia in 1969. The Supreme Court eventually sided with the owners in a 1972 ruling, but the union emerged with new resolve and cohesion.

Free agency in baseball really arrived in December 1975, when Peter Seitz, an arbitrator, freed pitchers Andy Messersmith and Dave McNally to bargain with any team they chose. His decision implicitly ended the reserve clause.

Without the reserve clause, the owners agreed to grant free agency to players with six years' experience. Over the years, many of the restrictions on the freedom have been lessened in collective bargaining.

Pro basketball players can trace free agency to the Oscar Robertson antitrust case. Its settlement in 1976 led to an 11-year phaseout of compensation and first-refusal systems.

The milestone was a 1983 agreement between the players' union and the National Basketball Association that established a formula in which players shared 53 percent of some team revenues and a salary cap.

Bargaining in 1988 yielded the current agreement that allows unrestricted free agency for any player who has concluded two contracts and five years in the NBA.

Who's Hot on the NFL Market

By Mark Asher
Washington Post Service

The agreement in principle between NFL owners and players to end five years of labor strife makes approximately 360 National Football League players eligible for free agency as of Feb. 1.

The new system of free agency allows players to move without penalty to their new team, and will thereby allow almost all of these players to offer their services to the highest bidder at the end of the season. This is a tantalizing prospect to teams interested in such high-profile players as San Francisco quarterback Steve Young and Philadelphia defensive end Reggie White.

But the two hottest players available at the two hottest positions could fare quite differently under the new system. The agreement allows each team to designate one "franchise" player—a player who must stay with the team for the life of his contract. It assures that player that he will be one of the five highest-paid players at his position or, if he already is, it will give him a 20 percent raise over this season. (In the first year of this agreement, teams also have right of first refusal for two designated transition players, who must be among the 10 highest-paid at their positions or receive a 20 percent raise if they already are.)

It is almost inconceivable that the 49ers

will let Young out of their grasp; the left-hander became the first quarterback to win back-to-back NFL passing titles in almost three decades. The 49ers are likely to name him their franchise player and pay him well, but since franchise players cannot negotiate with other teams he will be thwarted in obtaining the kind of breakthrough contract signed by baseball players this off-season.

The settlement agreement, on the other hand, could especially benefit White. As one of 20 name plaintiffs in various class-action antitrust litigation against the league, he cannot be made a franchise player, thus ensuring that his movement will be unfettered and his salary will be whatever the market will bear. For the first time, high-impact players will be on the auction block.

And, despite reports to the contrary, White, 31, has not dismissed the Eagles as his future employer, according to one of his agents, Kyle Rote Jr. Although acknowledging White's No. 1 priority is to finish his career "with a team committed to winning the Super Bowl"—such as the Redskins, 49ers or Cowboys—Rote says, "To be in Philadelphia is a distinct possibility... but it will be at what the market bears and it will be his choice."

Because of the game's current emphasis on passers and pass rushers, the hottest players are likely to be such proven backup quar-

backs as Dallas's Steve Beuerlein, San Francisco's Steve Bono and Houston's Cody Carlson, as well as a starter like Chicago's Jim Harbaugh and pass-rushers of White's class.

This group includes linebackers Al Smith of Houston, Sam Mills of New Orleans and Wilber Marshall of Washington; and defensive linemen Leslie O'Neal of San Diego, Pierce Holt of San Francisco and Neil Smith of Kansas City.

Some all-pro quality offensive linemen also are expected to be hot. Like Tampa Bay left tackle Paul Gruber, who hasn't missed a snap in his six seasons, Buffalo tackle Will Wolford, Minnesota tackle Gary Zimmerman and San Francisco guard Guy McIntyre.

Other hot players are expected to be Miami tight end Ferril Edmunds; defensive backs Audry McMillan of Minnesota, Gill Byrd of San Diego, Tim McDonald of Phoenix, Chuck Cecil of Green Bay and Steve Atwater of Denver, and possibly kicker Morten Andersen of New Orleans.

Running back may be the least attractive position for clubs unless they are filling needs for a season or two. Most of the top running backs don't have five years' experience yet, and how many teams are willing to take long-term risks on those who do?

The top wide receivers available and likely to command movement are the Redskins' Gary Clark, Houston's Ernest Givens and San Diego's Anthony Miller.

SCOREBOARD

BASKETBALL

NBA Standings

EASTERN CONFERENCE

Atlantic Division

New York	19	10	655
New Jersey	17	14	548
Orlando	13	13	500
Boston	15	17	469
Philadelphia	9	18	333
Washington	10	20	333
Miami	9	19	321

HOCKEY

NHL Standings

WALEY CONFERENCE

Pacific Division

Pittsburgh	28	9	4	68	138
Washington	21	16	4	46	142
NY Rangers	20	17	5	45	175
New Jersey	19	17	3	47	129
NY Islanders	17	19	4	38	155
Philadelphia	13	19	2	32	144

WEDNESDAY'S RESULTS

Indiana	29	23	19-34
Boston	25	28	19-30
Santa Ana	109	118	101-115
San Antonio	108	103	101-115
Houston	108	103	101-115
Denver	108	103	101-115
Minnesota	108	103	101-115
Dallas	108	103	101-115

WEDNESDAY'S RESULTS

Atlanta	2	1	1-2
Calgary	2	1	1-2
Los Angeles	2	1	1-2
San Jose	2	1	1-2



Wayne Gretzky moving toward goal during his return to action after three months out with a career-threatening herniated disk.

Gretzky Gets Back in Action but Kings Still Lose

Los Angeles Times Service
INGLEWOOD, California — Three months off this season seemed to do wonders for the Los Angeles Kings' Wayne Gretzky, who had his hockey career threatened by a herniated thoracic disk.

He returned to the Kings' lineup in great shape Wednesday night and the time away certainly didn't erode his pinpoint passing ability as he had two assists in his season debut. Gretzky, playing in his 1,000th NHL game, looked good. His back

felt good and he averaged about 6 minutes of play per period. But the Kings aren't in such good shape. The expansion Tampa Bay Lightning defeated the Kings, 6-3, before a sellout crowd of 16,005 at the Forum.

Linden (14), Burs (25), Smerdov (17), Courtnell (18), Messia (19), Gill (14), Pearson (12). Shots on goal—Vancouver (on Feb. 7) 11-25, Toronto (on McLean) 6-14-17-37.

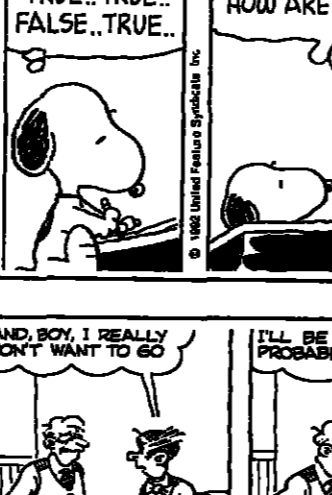
DENNIS THE MENACE



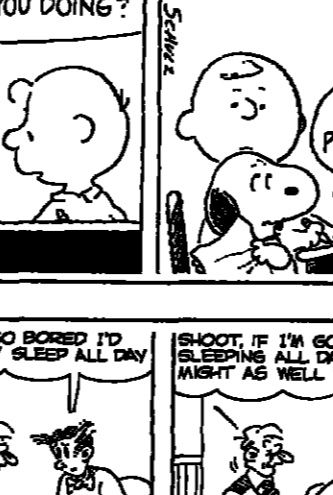
PEANUTS



BLONDIE



WIZARD of ID



REX MORGAN



GARFIELD



JUMBLE

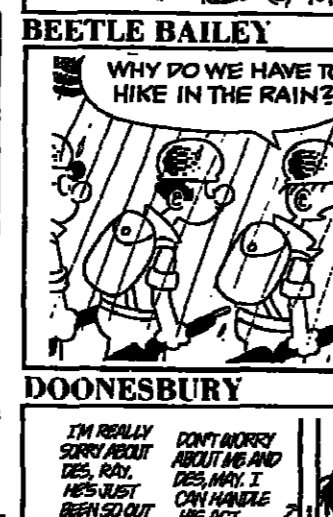
Unscramble these four Anagrams. Write the words in the boxes below.

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AFTEC
CAMBLE
SHAUTI

Now arrange the checked letters into four words. Write the words in the boxes below.

Answer here: THE

BEETLE BAILEY



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SPORTS BASKETBALL

Double Trouble Strikes Jordan and Bulls Lose Again

The Associated Press
It's news when Michael Jordan slumps or the Chicago Bulls lose. When both things happen in two straight games, that's headline material.

Jordan had 23 points, but hit just 10 of 27 shots from the floor Wednesday night as the Bulls, losing for the second time in as many nights, were blown out by the Cleveland Cavaliers, 117-95.

NBA HIGHLIGHTS

really high," Jordan said. "I really didn't have the legs I needed. A lot of shots tonight came up short."
Jordan missed his last seven shots before leaving the game at Richfield, Ohio, with six minutes to go and the Bulls trailing by 19. He had missed seven of his last eight the previous night in Chicago's 91-87 home loss to the Lakers.
"I think I'm coming down with a virus, so my energy level was not as good as it should have been," Jordan said.



Scotty Pippen got past Craig Ehlo, but his Chicago Bulls lost to the Cleveland Cavaliers, 117-95.

Indiana's Bob Knight Bags His 600th Victory

The Associated Press
If you want to know what Bob Knight thought about his 600th victory as a college coach, you'll need a camouflage outfit and a shotgun.
Knight skipped the postgame news conference Wednesday night after No. 5 Indiana beat No. 8 Iowa 75-67 in Bloomington, Indiana, in the coaches' week.

Val Barnes led the Hawkeyes, 11-1, with 18 points.
Duke 101, Clemson 67: In Durham, North Carolina, the No. 1 Blue Devils, 10-0, tied the school record with their 23d straight victory.
Kentucky 78, Indiana State 64: In Terre Haute, Indiana, the Hoosiers broke the game's final tie at 63-63 and then beat Robert Sheppard added consecutive 3-pointers as Arkansas broke open the game. Joe Harvell had 28 points for the Rebels.
Mississippi State 84, Vanderbilt 78: In Memphis, Tennessee, Antwan Hardaway had 26 points, 12 rebounds and 10 assists and the 7-

gers, 7-5, snapped the No. 18 Commodores' 10-game winning streak with the help of a school-record 22 steals. Billy McCaffrey had 26 points for the Commodores, 11-2.
Virginia 88, Florida State 76: In Charlottesville, Virginia, the No. 25 Cavaliers, 8-0, extended their winning streak to 13 games in the ACC opener for both teams. Cory Alexander scored 11 of his 23 points in the final 7:40, including a 3-pointer with 1:01 left that broke the game's final tie. No. 23 Florida State, 8-5, made just three field goals in the final seven minutes.
Pittsburgh 85, Miami 78: In Pittsburgh, the No. 24 Panthers won their seventh straight game behind Jerry McCullough's 25 points. Pitt is now 9-1 and 2-1 in the Big East. Steve Edwards made 3-pointers on consecutive possessions to get the Hurricanes within 80-78 with 48 seconds left, but Pittsburgh made three of four foul shots and hit a layup at the buzzer for the final margin. Miami fell to 3-7, 1-2.

Germans Gain Hopman Final Stich and Graf Overpower Forget and Tausiat

Compiled by Our Staff From Dispatches
PERTH, Australia — Michael Stich served a remarkable 31 aces on Thursday to beat France's Guy Forget in three sets and take Germany into the final of the Hopman Cup mixed tennis tournament against Spain.
Stich's victory, 6-2, 6-7 (1-7), 7-6 (7-2), carried the top seeds to an unbeatable 2-0 lead after his partner, Steffi Graf, easily won her singles match against Nathalie Tauziat, 6-3, 6-4.
Graf later withdrew from the meaningless mixed doubles, forfeiting the last rubber to the French as a precaution after slightly twisting her ankle when the German pair were leading, 4-2.
"I twisted it a little bit to the side and I felt a little bit of pain," said Graf, reluctant to risk aggravating the ankle ahead of Friday's final.
Spain, in the shape of Emilio Sanchez and his younger sister Arantxa Sanchez Vicario, earned their place in the final with a 2-1 win over the Czech Republic on Wednesday.
Stich nearly threw away the match against Forget after blitzing

him, 6-2, in the first set, serving seven straight aces in his final two service games.
He allowed Forget to battle back, taking the second set on an emphatic 7-1 tie-break. And the France-Germany semifinal looked set to go into a deciding mixed doubles when the Frenchman broke his serve to go 6-5 ahead in the final set.
But Forget lost his nerve. Stich broke back to make it 6-6 after Forget netted two easy volleys and he wrapped up the match, 7-2, in the tie-break.
"It would have been tough for me to have served any better than I did today," said Stich, fresh from his \$2 million payout in the Munich Grand Slam Cup.
Forget managed only one ace. The French left-hander went into the match with a 3-0 record over Stich on the ATP Tour but could not find a way to halt his opponent's relentless assault in a match that delighted a sellout 7,500 crowd.
Stich's only previous victory over Forget was in the 1991 Grand Slam Cup.

Earlier, Graf had served a warning to the world's top-ranked women, Monica Seles, in her clinical victory over Tausiat.
The German, who is No. 2, dictated the match from the start with her relentless ground strokes, never allowing the 14th-ranked French player to find any rhythm.
Graf took the first set in only 24 minutes, getting the vital break in the second game and though Tausiat showed some flashes of brilliance in the second set, Graf never relaxed her grip after breaking her serve in a long third game.
Graf, who has never been beaten by Tausiat, clinched the match on her own serve on a second match point with a searing top-spin cross court backhand drive.
The victory took Graf just 60 minutes and the German served particularly well, winning 89 percent of points in which her first serve was successful.
Graf ended the match with an exquisite topspin backhand cross court — one of the shots on which she has been working in recent weeks in preparation for the Australian Open. (Reuters, AP)

No Hard Times for PGA Tour

Compiled by Our Staff From Dispatches
CARLSBAD, California — The seemingly recession-proof PGA Tour received a financial boost on the eve of the 1993 season when Commissioner Deane Beman announced an increase in prize money.
Players will compete for a record \$52 million in 43 official money events, up from just under \$50 million last year. Beman said Wednesday ahead of the season-opening Tournament of Champions at La Costa Country Club. The tour-

ment was to have started Thursday but the first round was rained out.
The Players' Championship in March will offer \$2.5 million, a \$700,000 increase from last year. It boasts arguably the strongest field of the year and Beman obviously believes the huge purse will help his quest to elevate the event to major championship status.
The Players' Championship will not, however, be the richest event this year. The end-of-season Tour Championship's purse has risen 33 percent to \$3 million, making it the most lucrative in the world with a first prize of \$540,000.
The sport's very success could hold the seeds of trouble, in the form of a proliferation of end-of-the-year special events, which Beman said he was keeping a wary eye on.

Some leading players have concentrated on the lucrative special events to the extent that they are road-weary and in need of a break just when the official portion of the tour is starting.
At least two U.S. Open champions, Tom Kite and Masters titleholder Fred Couples, have announced plans to opt out of their early-season schedules as a result of heavy play late in the year.
"If this becomes prevalent, then it becomes a problem," Beman said.
On the positive side, Beman said the PGA Tour had weathered the U.S. recession better than most sports organizations.
"We've been able to maintain nearly all of our sponsors. We've lost some but we've been able to replace them and I don't think you'll see the major readjustments in golf that you'll see in other sports, even as the economy gets better," he said.
The PGA Tour is not without some dark clouds on the horizon, most notably the court case with Karsten Manufacturing, the maker of Ping golf clubs, over whether the

Real Madrid Plans to Appeal

Reuters
MADRID — Real Madrid said Thursday that it would appeal against a decision by basketball's ruling body to penalize it for refusing to play Croatian opponents Zadar.
The International Basketball Federation said Tuesday it would award the European clubs' championship match, due to be played on Thursday, to Zadar after Real had refused to travel to the Croatian town because of safety fears.
After six games Real Madrid was the only undefeated team in the current semifinal series.
"We aren't going to Zadar on the advice of the Foreign Ministry and Sports Council, not because we don't want to," said the club vice-president, Mariano Jaqueto.
He said Real had suggested numerous solutions, including moving the game to another Croatian town and paying for Zadar to travel there. But all these were rejected, he said.

Real Estate Marketplace

REAL ESTATE MARKETPLACE

REAL ESTATE INVESTMENTS LARGE NORTH CAROLINA Real Estate Development seeks aggressive "Buyer" for 2000+ acre tract... REAL ESTATE FOR SALE FRENCH PROVINCES TOURIST RESORT LUMP OWNER seeks luxurious stone villa... MONACO PRINCIPALITY OF MONACO For all RESIDENTIAL or COMMERCIAL REAL ESTATE INVESTMENT... ARGENTINA COUNTRY ESTATE & business opportunity... BERMUDA BERMUDA REAL ESTATE - We have available for sale a number of unique properties... FRENCH PROVINCES The GENES of the FRENCH RIVIERA JOHN TAYLOR CHATEAU SOUTH OF FRANCE PROVENCE VILLA - S. of France in beautiful... CLAYTON TOWNHOUSE with garden... 11th BASTILLE NEW YORK CITY PARIS & SUBURBS SPAIN SWITZERLAND LANE GENOVA & MOUNTAIN RESORTS FLORIDA LOTS USA RESIDENTIAL GERMANY GREAT BRITAIN APARTMENTS IN MAYFAIR NEW YORK CITY HOLLAND AMSTERDAM CENTRE - Furnished 1-2 bedroom apartment... ITALY USA BETTER THAN A HOTEL BRISTOL PLAZA NEW LUXURY SUITES, ELEGANTLY FURNISHED WITH DAILY MAID & LINEN SERVICE. COMPLIMENTARY MEMBERSHIP FOR POOL & HEALTH CLUB AVAILABLE ON LONG OR SHORT TERM LEASES. ONE MONTH MINIMUM. RENTS FROM \$3900 210 E. 65th St TEL: (212) 626-9000 FAX: (212) 753-7905 DOUGLAS ELLIJAN FRANCE ENCHANTING CHATEAU DES ASPRIES In heart of Provence. 7 bedrooms, 6 baths. Great country. Pool, tennis, gardens, tennis. Complete privacy - Staff - Cook. at \$7 From 23,328 FF to 47,113 FF per Bedroom. FAX: LUK, 433,3175 AUSTRIA VIENNA'S MOST PRESTIGIOUS ROOFTOP OFFICE TO LET By January 1, 1993 5,100 sq. ft./510 sqm. FAX + 49-8652-62157 MOROCCO FARM FOR SALE IN MOROCCO Very important farm nearby Rabat Over 212 Ha - 105 Ha fruit - 3 Ha flowers 40,000 layers - Hunting - Nice climate Center Aristocrate Business Centre Luxembourg Tel: (352) 45 85 45 - Fax (352) 45 85 48 MEXICO RESORT DEVELOPMENT LAND FOR SALE Located near Puerto Plata on the North Shore of Dominican Republic... U.S.A. PALM BEACH Palm Beach's Premier Real Estate Broker "CASA APAVA" One of the last grand estates with 4200 DIRECT OCEAN FRONT (17874), MARTH A. GOTTFREDT (17874), 219 Worth Avenue Palm Beach, FL 33480 Phone: 407-655-8600 Fax: 407-832-8051 Open 7 Days Week "REAL ESTATE MARKETPLACE" appears every Friday

OBSERVER

Boyish Presidents

By Russell Baker

NEW YORK — There has been a run of boyish presidents since Eisenhower...

We have to go back to Theodore Roosevelt for a presidential oddity who was indisputably a boy-man...

Boyishness takes many forms. Usually these reflect efforts to overcome fear of not measuring up to adult responsibilities...

Boyishness was more becoming to Reagan than to any of the others. He had the boyish charm that enables an offending son to win parents' hearts...

Bush's boyishness is reflected in his farewell tour of the foreign-policy front. It gave him the opportunity to remind the congregation of why it loved him once and also to have a last taste of the role he obviously relishes...

Clinton is young enough to be a child to a large percentage of the population. He won't have to behave boyishly to please a national appetite for juvenilia...

Art Without Anguish, and It All Swings

By Mike Zwerin International Herald Tribune

PARIS — Early one morning, I was sitting on a bus waiting to take musicians from their hotel up to the Grande Parade du Jazz festival in Nice...

The driver was getting ready to close the doors when Dizzy Gillespie entered; his let's say generous stomach pushed out with pride before him...

Dizzy, who died Wednesday, proved that you did not have to be a brooder or a junkie to play great jazz, that jazz could be entertainment as well as art...

There is a street named after him in his hometown, Cheraw, South Carolina. He was capable of laughing at the irony of it when, after the name change, he still had trouble finding a barber willing to cut a black man's hair there...



Dizzy Gillespie: "A whole lot of things money can't buy. Respect, for example."

Listening back, it's hard to understand why Dizzy was considered such a revolutionary. He was the obvious post-Roy Eldridge trumpet evolution, just as Clifford Brown and even Miles — on the surface so different — evolved from Dizzy...

The British trumpeter Ian Carr described a Gillespie solo as a "cliff-hanging drama. The phrases are perpetual. Fast demisemiquaver runs are followed by pauses, by huge interval leaps, by long, insidiously high notes, by slurs and smoozes and bluesy phrases...

After 30 years of rockin' with the Rolling Stones, bass guitarist Bill Wyman, 56, confirmed (for sure) he's calling it quits...

After 50 days alone in Antarctica, a Norwegian lawyer, Erling Kagge, 29, has reached the South Pole, the first man to ski there solo without outside help...

Governor Pete Wilson tried to rewrite history by describing Californians as "the people who made the first movies" in his State of the State speech...

PEOPLE

Stone No More: Wyman Says It's All Over Now

After 30 years of rockin' with the Rolling Stones, bass guitarist Bill Wyman, 56, confirmed (for sure) he's calling it quits...

Eric Clapton, Billy Ray Cyrus, L.A. Jang, Vanessa Williams and the duo of Celine Dion and Peabo Bryson have been nominated for record-of-the-year honors at the 35th Grammy Awards...

After 50 days alone in Antarctica, a Norwegian lawyer, Erling Kagge, 29, has reached the South Pole, the first man to ski there solo without outside help...

Governor Pete Wilson tried to rewrite history by describing Californians as "the people who made the first movies" in his State of the State speech...

INTERNATIONAL CLASSIFIED Appears on Pages 4 & 17

WEATHER

Table with weather forecasts for Europe, North America, Middle East, and Oceania, including high/low temperatures and precipitation chances.

Weather section including maps of Europe, North America, and Asia, and text forecasts for each region.

CROSSWORD

Crossword puzzle grid with clues for Across and Down words.

Crossword puzzle grid with clues for Across and Down words, including a solution to the puzzle of Jan. 7.

BEYOND THE BRILLO BOX: The Visual Arts in Post-Historical Perspective

Reviewed by Thomas West. READERS of Arthur C. Danto's column in the Nation magazine have been treated over the last eight years to some of the most stimulating art criticism being written in America today...

Books section featuring reviews of 'The Visual Arts in Post-Historical Perspective' by Arthur C. Danto and 'The Birth of Tragedy' by Friedrich Nietzsche.

BRIDGE

By Alan Truscott. A STRONG claimant for the best defensive play of 1992 is Mike Passell of Dallas, who sat on the East diagramed deal in a regional Swiss team championship in Vancouver...

Bridge game analysis including a hand diagram and commentary on Mike Passell's play.

Large advertisement for AT&T USADirect Service, featuring a clock image and international access numbers for various countries.

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